

SUMMARY - ALL FUNDS FUND DESCRIPTIONS

The 2002-2003 Budget Summary sorts appropriations into thirteen fund categories. These include General Fund, Block Grant, Library, Federal Employment and Training, Major and Local Streets, Human Services, General Grants, General Debt Service, General Capital Projects, Urban Renewal, Internal Service and Enterprise Fund. The Pension Fund is not included in the Budget.

General Fund - This fund provides for the general governmental operations of the City. It is funded through a variety of local taxes - Property, Income and Utility Users', shared taxes from the State, and Sales and Charges for Services.

Block Grant - The Community Development Block Grant (C.D.B.G.) program was established under Title I of the Housing and Community Development Act of 1974. Funds can be used to benefit low/moderate income people, reduce slums and blight, or other urgent needs. Department of Housing and Urban Development distributes this grant.

Drug Law Enforcement - This fund accounts for forfeited narcotics proceeds that are used for the enhancement of narcotics enforcement.

Library - The Detroit Public Library is administered by the Detroit Library Commission, a separate municipal corporation existing by virtue of State Law. Under the law, the budgetary transactions of the Detroit Public Library are subject to the financial controls of the City of Detroit.

Federal Employment and Training - The Federal Employment and Training Funds were established to account for employment and training program grants received from

governmental sources. On October 1, 1983, the Jobs Training Partnership Act (J.T.P.A), enacted on October 13, 1982 was implemented. Programs under the J.T.P.A. are financed by the Department of Labor. The State of Michigan receives and administers J.T.P.A. funds. The Governor approves and provides funding to qualified service delivery area grant recipients. The City of Detroit has been designated a J.P.T.A. service delivery area, grant recipient and administrative entity. The purpose of this act is to establish programs to prepare youth and unskilled adults for entry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment who are in need of such training to obtain productive employment. Other program funds include the Senior Aides Program of the National Council of Senior Citizens (N.C.S.C.) And the grants of the Department of Labor related to the provisions of the Emergency Employment Act of 1971, the Michigan Neighborhood Corps, Youth Employment Services Program, and Corrections Parolee Program as funded by the Michigan Department of Labor.

Major and Local Streets - The Major and Local Street Funds were established to account for Michigan State Gas and Weight Tax revenues as required by law under Act 51, Public Acts of Michigan of 1951, and other related grants. Expenditures are restricted to construction and maintenance of major and local streets. Much of this work is performed by other City agencies.

Human Services - The Neighborhood Services Fund was established to administer certain social service programs financed by the Federal and State Grants.

SUMMARY - ALL FUNDS FUND DESCRIPTIONS

General Grants - This is a mix of funding sources, Federal, State and other. Consisting primarily of Health Department grants.

General Debt Service - Debt service on unlimited tax general obligation bonds is funded from ad valorem property taxes levied without limitation as to rate or amount specifically for that purpose. Debt service on limited tax general obligations is funded from property taxes levied within constitutional, statutory and charter limitations or other unrestricted moneys of the City. The City, by State law, must provide a separate fund for debt retirement moneys. All general City property taxes are collected by the treasurer and deposited in the general and debt service accounts according to the proper distribution percentage.

General Capital Projects - The Capital Projects Fund has been established to account for all funds used for the construction, acquisition, and renovation of capital facilities by the General Fund. These projects are generally funded by City's general obligation bond issues.

Urban Renewal Fund - This fund accounts for funding received from the City of Detroit and the Federal Government earmarked for the acquisition and site preparation of property for future development.

Internal Service Fund - This budget includes a new internal service that will handle the acquisition of all General Fund vehicles.

Enterprise Funds - Enterprise Funds account for operations of governmental facilities operated in a manner similar to commercial enterprises where the intent is to recover, in whole or in part, through user charges, the costs or expenses

(including depreciation) of providing goods or services to general public on a continuing basis.

Including component units, the City currently has 9 enterprise funds of which 4 are self-supporting and 5 generally need (or will need) some level of General Fund support. The self-supporting funds include Water, Sewage Disposal, Housing and Parking. Of the nine enterprise funds, six are fully incorporated in the budget presentation. The remaining three (Detroit Transportation Corporation, Housing and the Greater Resource Recovery Authority) are reflected only to the extent of the City's payment for services (GDRRA) or subsidy contribution (DTC).

- C The Sewage Disposal and Water Supply Systems serves the Detroit metropolitan area. The General Fund bears no liability for funding any expenses not covered by self-generated revenues for these systems and has never made a subsidy payment to either System, although the General Fund has made temporary advances to the Sewage System in connection with the financing of capital projects, which were promptly repaid with proceeds of a revenue bond issue.
- C Since 1984, the City's Parking System has been totally self-sufficient. Although the City is legally responsible for payment of operation and maintenance expenses of the system, sufficient funds have been (and are expected to continue to be) generated to reimburse the General Fund for payment of such expenses.
- C Housing Department is the local administrative agency for public housing programs. Housing receives Federal rental subsidies for operations, leased rental housing, and a housing assistance payment

SUMMARY - ALL FUNDS FUND DESCRIPTIONS

program. The Housing and Urban Development Act provides that the rent of a public housing tenant may not exceed 30% of the family income.

The funds receiving General Fund support include Transportation, Airport Construction Code Fund and Detroit Transportation Corporation. The Greater Detroit Resource Recovery Authority receives moneys from the General Fund through tipping fees paid for disposal of waste collected by the City. The City's obligation to pay such tipping fees is a full faith and credit limited tax general obligation of the City.

C The Transportation Fund, which operates the bus-oriented mass transit system, receives a substantial portion of its operating revenues from regional allocation of Federal and State moneys and from self-generated revenues. However, as a result of a continuing gap between stagnant operating revenues and rising expenditures, the fund has also received General Fund subsidization. Prior to 1986, the General Fund advanced moneys to the Transportation Fund to ease cash flow problems created by the lag in receipt of moneys from the State and federal government. In recent years, because of the significant amount of General Fund subsidy, no cash flow advances were required.

C The City's Airport Fund accounts for the operation of Detroit City Airport. In fiscal 1989 the Airport was expanded to accommodate commercial jet carrier service. Previously, the Airport provided general aviation and limited commuter service. With the service addition, the Airport budget has increased from \$1.7 million in fiscal year 1988 to \$3.4 million for fiscal year 1998.

The 1999 Recommended Budget includes \$1.8 million in General Fund contributions. The City is considering future additional Airport expansion.

C The Detroit Transportation Corporation is responsible for the Downtown People Mover which began operations in downtown Detroit in 1987. The People Mover has not been and is not expected to be self-sufficient in the future.

C Construction Code Fund includes services performed by Buildings and Safety Engineering Department. Effective January 1, 2001, Public Act 245 of 1999 was approved to amend Act 230 of 1972 of the State of Michigan Compiled Laws. The act requires the State of Michigan's local governments to establish reasonable fees which are required to operate the department responsible for building permits, examination of plans and specifications, inspection of construction undertaken pursuant to a building permit, and the issuance of certificates used for occupancy, and hearing appeals in accordance with this act. To comply with this act, in fiscal year 2001 the City established the Construction Code Fund for operational and financial reporting purposes.

**CITY OF DETROIT
2002-03 RECOMMENDED BUDGET
ARRANGED BY PROGRAM CATEGORY**

PERCENT OF TOTAL APPROPRIATIONS	PROGRAM CATEGORY	APPROPRIATIONS	REVENUES	NET TOTAL
15.99%	PROTECT INDIVIDUALS AND PROPERTY			
	Crime Prevention and Control	\$383,292,097	\$88,801,252	\$294,490,845
	Traffic Law and Ordinance Enforcement	49,887,447	17,803,899	32,083,548
	Fire Prevention and Control	138,197,493	2,953,610	135,243,883
	Emergency Preparedness	23,849,168	7,065,940	16,783,228
	Sub-Total	\$595,226,205	\$116,624,701	\$478,601,504
4.57%	MAINTAIN AND IMPROVE HEALTH			
	Preventive Services	\$114,589,276	\$105,710,884	\$8,878,392
	Family and Neighborhood Services	35,879,242	27,247,351	8,631,891
	Unassignable Support - Health	19,752,384	9,756,519	9,995,865
	Sub-Total	\$170,220,902	\$142,714,754	\$27,506,148
3.28%	RECREATION AND CULTURE			
	Recreation Opportunities	\$56,329,927	\$13,726,378	\$42,603,549
	Cultural Opportunities	22,690,086	14,607,939	8,082,147
	Educational Development	42,920,280	37,914,419	5,005,861
	Sub-Total	\$121,940,293	\$66,248,736	\$55,691,557
3.82%	DEVELOP ECONOMIC CAPACITY			
	Civic Affairs	\$25,238,977	\$10,378,910	\$14,860,067
	Industrial and Commercial Assistance	18,228,624	18,165,891	62,733
	Job Opportunities	10,958,006	6,867,773	4,090,233
	Enrichment Opportunities	87,695,854	87,690,854	5,000
	Sub-Total	\$142,121,461	\$123,103,428	\$19,018,033
8.05%	FACILITATE TRANSPORTATION			
	Street Maintenance	\$66,582,905	\$63,525,537	\$3,057,368
	Mass Transit System	181,872,071	181,872,071	0
	Air Transportation	4,083,933	4,083,933	0
	Parking	47,040,661	48,228,143	(1,187,482)
	Sub-Total	\$299,579,570	\$297,709,684	\$1,869,886
2.08%	BUILDING SUPPLY AND CONDITIONS			
	Building and Safety Code Enforcement	\$25,466,256	\$25,466,256	\$0
	Community Redevelopment	51,979,421	54,090,834	(2,111,413)
	Sub-Total	\$77,445,677	\$79,557,090	(\$2,111,413)
46.03%	PHYSICAL ENVIRONMENT			
	Solid Waste	\$104,417,969	\$1,959,373	\$102,458,596
	Regulation	3,678,350	350,000	3,328,350
	Street Lighting	70,989,095	60,611,700	10,377,395
	Community Beautification	2,568,971	4,195,752	(1,626,781)
	Environmental Protection	3,825,809	216,000	3,609,809
	Water Supply and Sewerage Disposal	1,514,630,060	1,514,630,060	0
	Demolition	13,234,913	13,234,913	0
	Sub-Total	\$1,713,345,167	\$1,595,197,798	\$118,147,369
16.18%	DEVELOPMENT AND MANAGEMENT			
	Executive Management	\$64,253,617	\$16,095,014	\$48,158,603
	Infrastructure Management	73,890,634	9,834,892	64,055,742
	Fiduciary Transactions	285,035,261	1,224,975,433	(939,940,172)
	Community Extension Services	8,466,240	260,000	8,206,240
	Public Policy Representations	27,278,268	1,014,118	26,264,150
	Contributions, Subsidies and Advances	143,413,731	48,881,378	94,532,353
	Sub-Total	\$602,337,751	\$1,301,060,835	(\$698,723,084)
100.00%	Grand Total	\$3,722,217,026	\$3,722,217,026	\$0

SUMMARY - ALL FUNDS

<p align="center">CITY OF DETROIT COMPARATIVE BUDGET SUMMARY 2002-2003 MAYOR'S RECOMMENDATIONS</p>

<u>APPROPRIATIONS</u>	2001-02 BUDGET	2002-03 RECOMMENDED	INCREASE/ (DECREASE)
General City Agencies	\$1,587,587,374	\$1,514,509,919	\$(73,077,455)
Non-Departmental	345,638,872	318,710,858	(26,928,014)
Debt Service	70,953,651	64,153,936	(6,799,715)
Enterprise Agencies	1,378,608,736	1,824,842,313	446,233,577
TOTAL	\$3,382,788,633	\$3,722,217,026	\$339,428,393

REVENUES

General City Agencies	\$700,225,285	\$628,261,483	\$(71,963,802)
Non-Departmental	1,232,703,331	1,203,771,812	(28,931,519)
Debt Service	70,953,651	64,153,936	(6,799,715)
Enterprise Agencies	1,378,906,366	1,826,029,795	447,123,429
TOTAL	\$3,382,788,633	\$3,722,217,026	\$339,428,393

BUDGETED POSITIONS

City Funded	19,941	19,100	(841)
Grant Funded	1,049	801	(248)
TOTAL	20,990	19,901	(1,089)

GENERAL CITY AGENCIES: This includes all General Fund and General Grant City Departments.

NON DEPARTMENTAL: This Agency (Number 35) provides funds for activities which are not the responsibility of any other single agency. This Agency provides funding for expenditures which are not specifically associated with any single department's activities, and is the depository for General Fund subsidy appropriations for enterprise activities. Non Departmental also serves as the depository agency for a wide variety of General Fund revenues which cannot be credited to any specific department.

DEBT SERVICE: This represents Agency 18 – Sinking Interest and Redemption. The purpose of this Agency is to meet the principal and interest of the bonded indebtedness of the City of Detroit.

ENTERPRISE AGENCIES: This includes Airport , Buildings and Safety (2002-03 only) , Parking, Housing (2001-02 only), Water , Sewerage, Transportation, and Library.

SUMMARY - ALL FUNDS

CITY OF DETROIT COMPARATIVE BUDGET HISTORY

APPROPRIATIONS

GENERAL CITY					
	AGENCIES	NON- DEPARTMENTAL	DEBT SERVICE	ENTERPRISE AGENCIES	TOTAL
1993-94	1,100,613,470	187,246,695	35,428,394	671,692,323	1,994,980,882
1994-95	1,126,559,527	270,731,520	46,673,213	781,273,717	2,225,237,977
1995-96	1,242,807,765	232,925,303	48,890,823	657,196,864	2,181,820,755
1996-97	1,245,380,811	257,870,242	49,371,796	860,255,252	2,412,878,101
1997-98	1,328,457,406	231,832,916	54,219,032	743,902,990	2,358,412,344
1998-99	1,336,673,561	260,730,074	58,206,082	805,730,196	2,461,339,913
1999-00	1,430,422,231	265,377,642	60,699,019	1,160,144,505	2,916,643,397
2000-01	1,507,923,439	255,427,035	66,682,944	953,934,438	2,783,967,856
2001-02	1,587,587,374	345,638,872	70,953,651	1,378,608,736	3,382,788,633
2002-03 rec	1,514,509,919	318,710,858	64,153,936	1,824,842,313	3,722,217,026

REVENUES

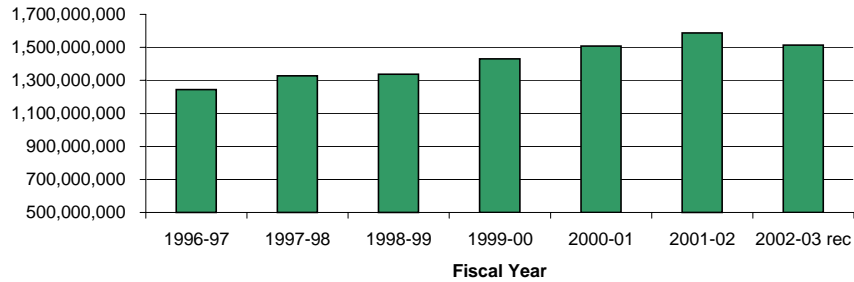
GENERAL CITY					
	AGENCIES	NON- DEPARTMENTAL	DEBT SERVICE	ENTERPRISE AGENCIES	TOTAL
1993-94	505,715,908	781,418,588	35,428,394	672,417,992	1,994,980,882
1994-95	486,938,114	909,387,987	46,673,213	782,238,663	2,225,237,977
1995-96	561,838,000	914,246,848	48,890,823	656,845,084	2,181,820,755
1996-97	530,439,036	972,256,424	49,371,796	860,810,845	2,412,878,101
1997-98	571,625,863	987,455,547	54,219,032	745,111,902	2,358,412,344
1998-99	569,570,519	1,027,615,870	58,206,082	805,947,442	2,461,339,913
1999-00	610,668,058	1,085,703,605	60,699,019	1,159,572,715	2,916,643,397
2000-01	644,560,690	1,118,426,818	66,682,944	954,297,404	2,783,967,856
2001-02	700,225,285	1,232,703,331	70,953,651	1,378,906,366	3,382,788,633
2002-03 rec	628,261,483	1,203,771,812	64,153,936	1,826,029,795	3,722,217,026

POSITIONS

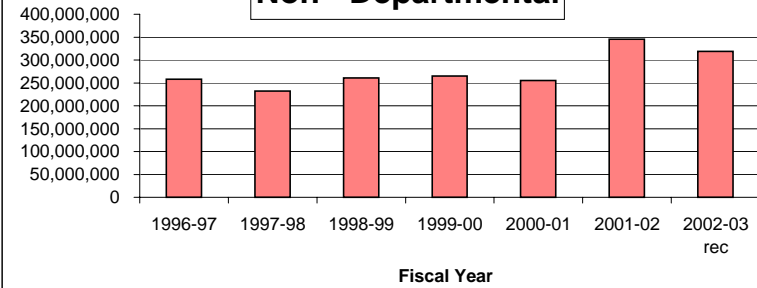
	CITY FUNDED	GRANT FUNDED	TOTAL
1993-94	17,041	810	17,851
1994-95	16,956	841	17,797
1995-96	17,282	1,142	18,424
1996-97	17,410	1,195	18,605
1997-98	18,265	1,090	19,355
1998-99	18,815	937	19,752
1999-00	19,179	968	20,147
2000-01	19,205	1,437	20,642
2001-02	19,941	1,049	20,990
2002-03 rec	19,100	801	19,901

CITY OF DETROIT COMPARATIVE APPROPRIATION HISTORY

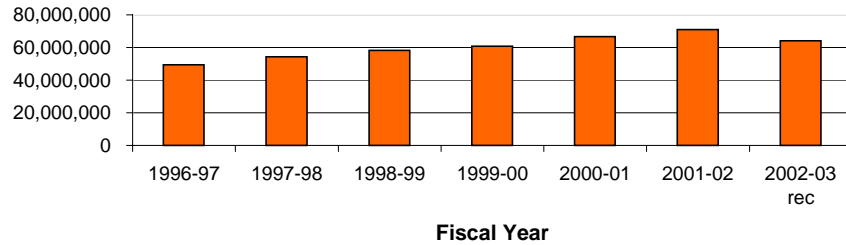
General City Agencies



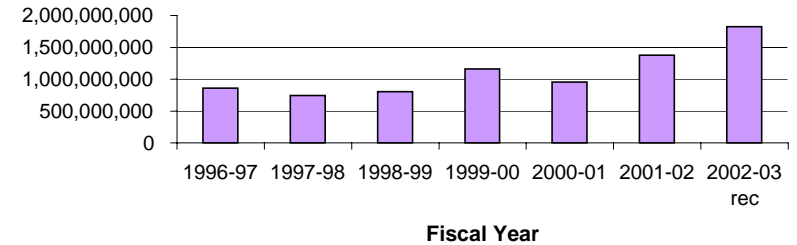
Non - Departmental



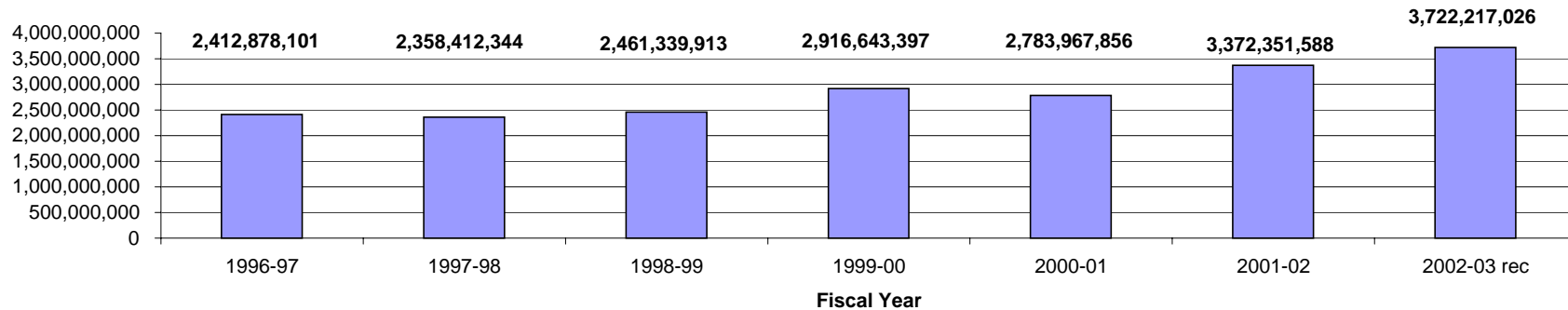
Debt Service



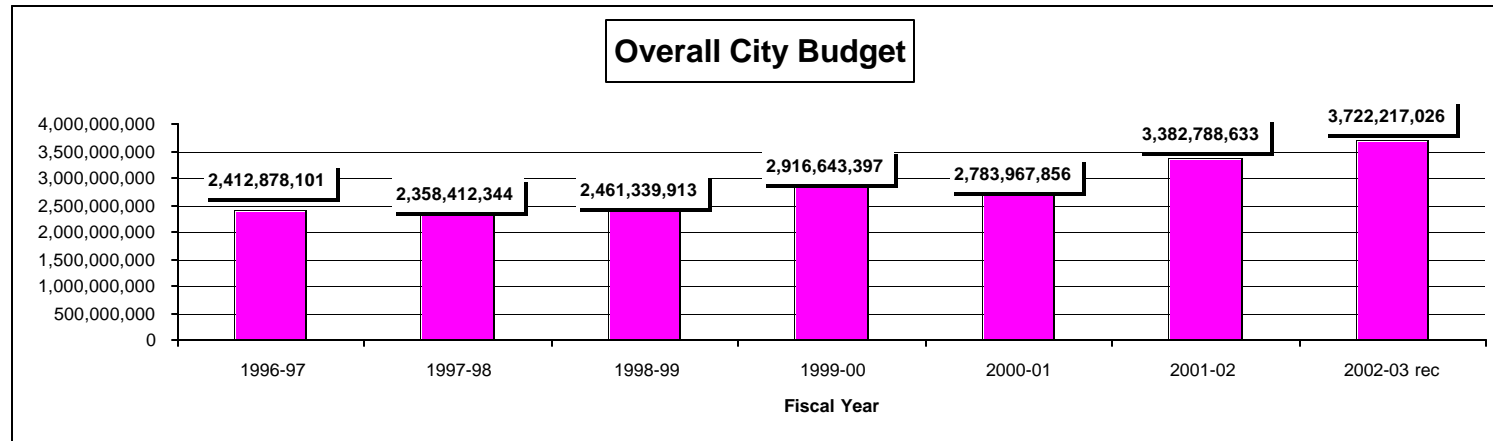
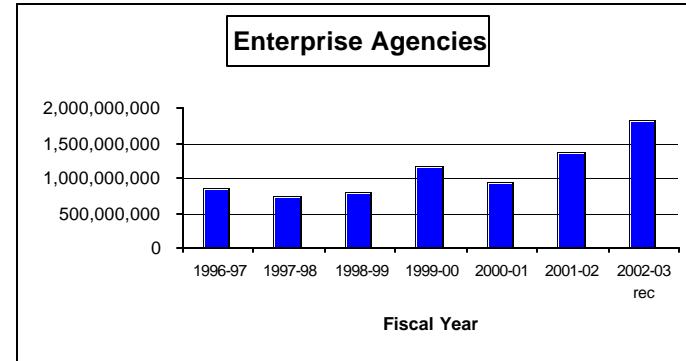
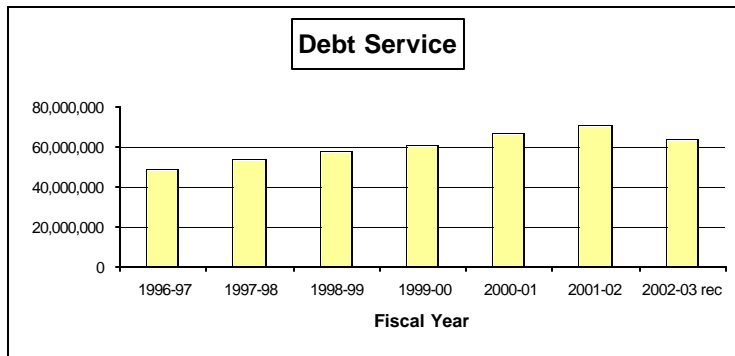
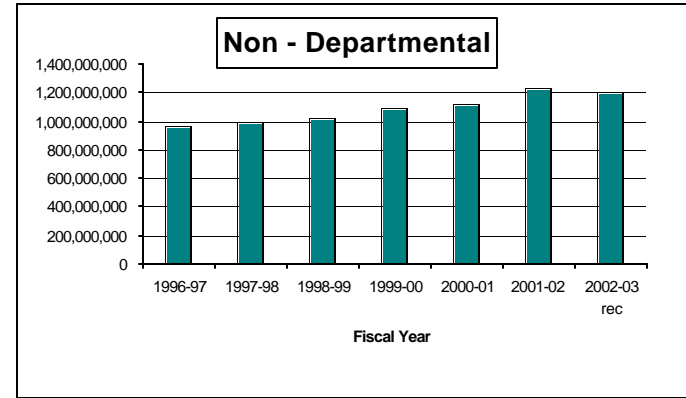
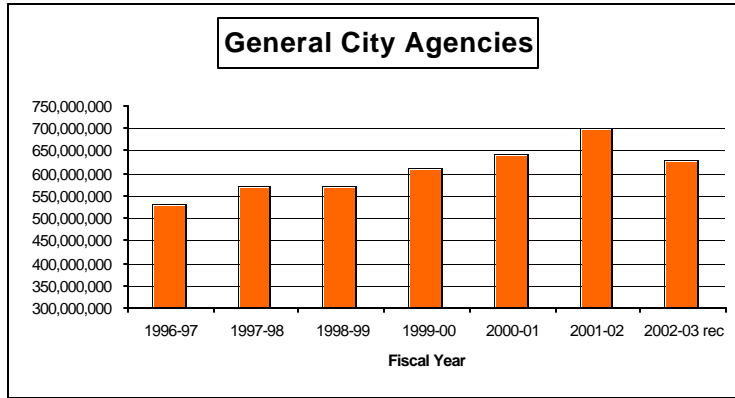
Enterprise Agencies



Overall City Budget



CITY OF DETROIT COMPARATIVE REVENUE HISTORY



CITY OF DETROIT
SUMMARY OF APPROPRIATIONS AND REVENUES
2002-2003 MAYOR'S RECOMMENDATION

GENERAL CITY AGENCIES		TOTAL	TOTAL	
<u>Executive Agencies</u>		<u>APPROPRIATIONS</u>	<u>REVENUES</u>	<u>NET TAX COST</u>
11	Arts	\$712,975	\$0	\$712,975
12	Budget	2,982,363	0	2,982,363
14	Civic Center	25,238,977	10,378,910	14,860,067
15	Communication and Creative Services	2,303,559	0	2,303,559
16	Consumer Affairs	0	0	0
17	Cultural Affairs	1,137,440	506,062	631,378
19	Department of Public Works	210,306,551	75,504,702	134,801,849
21	Employment and Training	87,695,854	87,690,854	5,000
22	Environmental Affairs	2,785,912	230,000	2,555,912
23	Finance	44,760,030	7,643,489	37,116,541
24	Fire	162,046,661	10,019,550	152,027,111
25	Health	99,629,036	72,944,415	26,684,621
26	Historical	5,504,007	2,799,550	2,704,457
28	Human Resources	28,432,281	11,796,682	16,635,599
29	Human Rights	1,992,320	13,500	1,978,820
30	Human Services	70,591,866	69,770,339	821,527
31	Information Technology Services	39,847,742	3,094,857	36,752,885
32	Law	29,335,625	3,811,332	25,524,293
33	Mayor's Office	10,936,635	487,000	10,449,635
36	Planning and Development	76,625,027	76,862,294	(237,267)
37	Police	383,292,097	88,801,252	294,490,845
38	Public Lighting	70,989,095	60,611,700	10,377,395
39	Recreation	58,650,464	13,826,378	44,824,086
40	Senior Citizens	2,248,699	1,028,273	1,220,426
43	Youth	0	0	0
44	Zoological Institute	15,335,664	11,302,327	4,033,337
<u>Legislative Agencies</u>				
50	Auditor General	2,756,533	200,000	2,556,533
51	Zoning	892,438	120,000	772,438
52	City Council	12,808,790	816,780	11,992,010
53	Ombudsman	1,320,493	0	1,320,493
70	City Clerk	3,394,695	0	3,394,695
71	Election Commission	10,068,643	197,338	9,871,305
<u>Judicial Agencies</u>				
60	36th District Court	49,887,447	17,803,899	32,083,548
<u>Other Agencies</u>				
35	Non-Departmental	318,710,858	1,203,771,812	(885,060,954)
TOTAL GENERAL CITY AGENCIES		\$1,833,220,777	\$1,832,033,295	\$1,187,482
18	Debt Service Fund	64,153,936	64,153,936	0
<u>Enterprise Agencies</u>				
10	Airport	4,083,933	4,083,933	0
13	Buildings and Safety Engineering	39,301,169	39,301,169	0
20	Department of Transportation	181,872,071	181,872,071	0
27	Housing	0	0	0
34	Municipal Parking	47,040,661	48,228,143	(1,187,482)
41	D.W.S.D. - Water Supply	636,314,098	636,314,098	0
42	D.W.S.D. - Sewerage Disposal	878,315,962	878,315,962	0
72	Library	37,914,419	37,914,419	0
TOTAL ENTERPRISE AGENCIES		\$1,824,842,313	\$1,826,029,795	(\$1,187,482)
GRAND TOTAL		<u>\$3,722,217,026</u>	<u>\$3,722,217,026</u>	<u>\$0</u>

CITY OF DETROIT
General Fund Appropriation History

	2002-03 Recommended	2001-02 Budget	2000-01 Budget	1999-2000 Budget	1998-99 Actual
GENERAL CITY AGENCIES					
EXECUTIVE AGENCIES					
Arts.....	\$712,975	\$750,500	\$790,000	\$790,000	\$941,185
Budget.....	2,982,363	3,030,615	3,070,495	3,112,745	2,707,198
* Buildings and Safety Engineering.....	--	24,582,542	23,892,362	21,963,842	20,036,234
Civic Center.....	22,438,977	22,501,869	22,715,893	21,287,549	17,048,522
Communication and Creative Services.....	2,303,559	2,457,317	2,402,360	2,119,879	1,497,259
Consumer Affairs.....	--	1,968,762	1,885,286	1,789,122	1,515,813
Cultural Affairs.....	650,228	675,686	619,508	559,605	690,424
Department of Public Works.....	173,069,859	206,053,306	192,687,954	191,764,718	178,993,763
Employment and Training.....	5,000	--	49,000	--	--
Environmental Affairs.....	2,785,912	1,883,014	1,745,873	1,441,482	1,231,000
Finance.....	44,760,030	49,850,203	46,516,150	37,634,258	33,584,791
Fire.....	160,546,661	152,333,646	152,208,532	141,514,485	129,948,937
Health.....	40,210,504	37,438,782	35,563,201	33,189,738	85,169,400
Historical.....	3,254,007	3,370,546	3,564,296	3,152,293	2,752,228
Human Resources.....	28,432,281	32,183,276	30,728,507	27,171,441	21,588,976
Human Rights.....	1,992,320	2,141,980	2,205,929	1,979,286	1,367,895
Human Services.....	821,527	1,214,000	1,089,000	1,813,000	--
Information Technology Services.....	39,847,742	47,378,153	40,189,460	47,609,794	38,827,564
Law.....	29,335,625	31,460,007	27,661,431	25,623,304	26,326,574
Mayor's Office.....	10,449,635	10,508,017	10,226,351	9,777,020	8,211,909
Planning & Development.....	12,148,193	14,920,948	14,162,528	12,762,325	11,222,459
Police.....	367,576,811	337,017,953	336,812,049	331,200,766	316,121,205
Public Lighting.....	64,189,095	61,827,346	61,481,084	57,531,517	62,583,841
Recreation.....	52,699,264	55,224,665	54,408,547	52,785,776	46,938,535
Senior Citizens.....	1,220,426	1,104,044	1,123,508	1,104,609	904,798
Youth.....	--	1,724,594	897,308	140,000	886,321
Zoological Institute.....	13,235,664	14,649,400	14,059,913	14,239,400	11,963,782
LEGISLATIVE AGENCIES					
Auditor General.....	2,756,533	3,037,831	3,363,108	3,079,704	2,475,416
Board of Zoning Appeals.....	892,438	957,395	1,040,563	838,702	627,769
City Clerk.....	3,394,695	3,619,919	3,611,679	3,247,448	2,693,593
City Council.....	11,995,860	12,849,727	11,389,595	10,771,259	10,131,133
Election Commission.....	9,873,805	10,560,838	8,400,660	6,743,640	6,695,210
Ombudsman.....	1,320,493	1,418,986	1,326,104	1,412,280	1,075,311
JUDICIAL AGENCY					
36th District Court.....	49,887,447	46,755,797	44,869,269	46,646,093	42,240,176
OTHER AGENCIES					
Non-Departmental.....	274,915,244	301,985,982	247,477,035	258,136,642	167,027,269
TOTAL GENERAL CITY AGENCIES.....	\$1,430,705,173	\$1,499,437,646	\$1,404,234,538	\$1,374,933,722	\$1,256,026,490
Debt Service Fund.....	--	--	--	--	--
ENTERPRISE AGENCIES					
Airport.....	--	--	--	--	--
Housing.....	--	--	--	--	--
Municipal Parking.....	8,512,518	9,202,370	9,137,034	--	8,941,661
Department of Transportation.....	--	--	--	--	--
D.W.S.D.- Water Supply.....	--	--	--	--	--
D.W.S.D.- Sewage Disposal.....	--	--	--	--	--
Library.....	--	--	--	--	--
TOTAL ENTERPRISE AGENCIES.....	\$8,512,518	\$9,202,370	\$9,137,034	--	\$8,941,661
TOTAL TRANSFERS.....	--	--	--	--	--
GRAND TOTAL.....	\$1,439,217,691	\$1,508,640,016	\$1,413,371,572	\$1,374,933,722	\$1,264,968,151

Sources: Comprehensive Annual Financial Report, Redbook

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* In accordance with Michigan Public Act 245 of 1999, a separate revenue fund has been established to meet the legal requirements for fiscal year 2002-2003 and Buuildings and Safety be viewed as an Enterprise Agency.

CITY OF DETROIT
SUMMARY OF 2002-03 MAYOR'S RECOMMENDED BUDGET - APPROPRIATIONS BY FUND

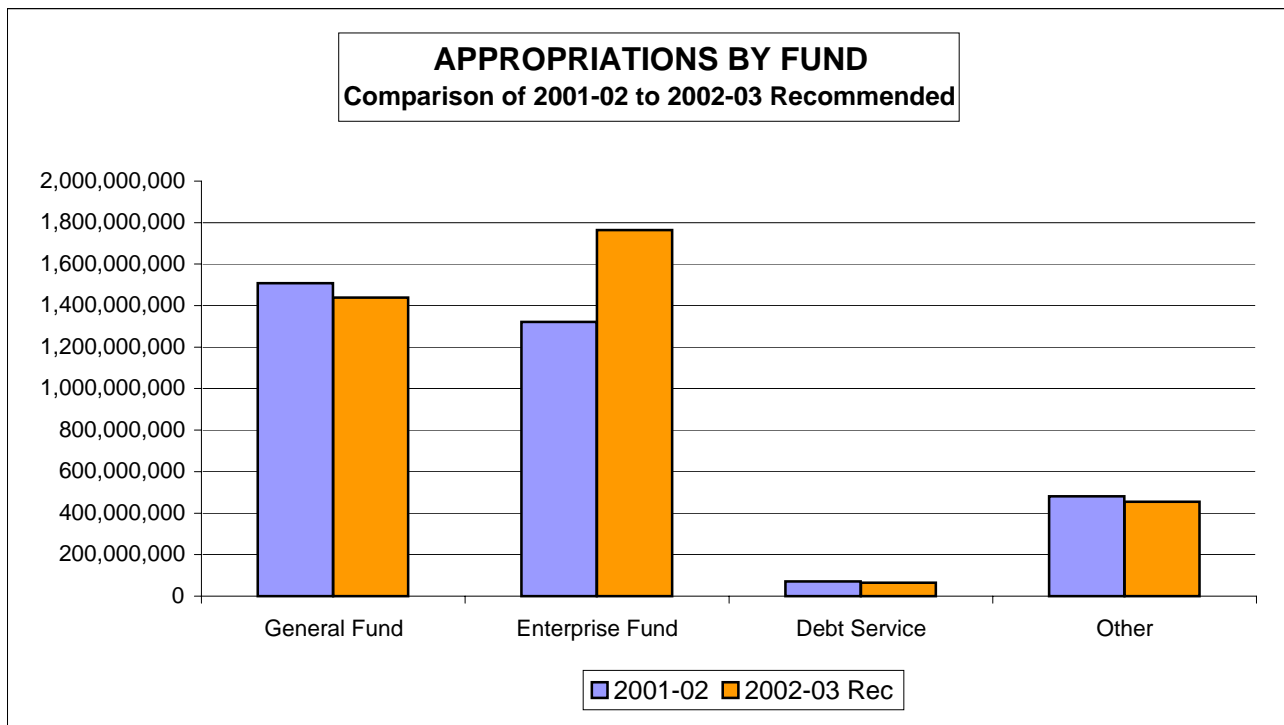
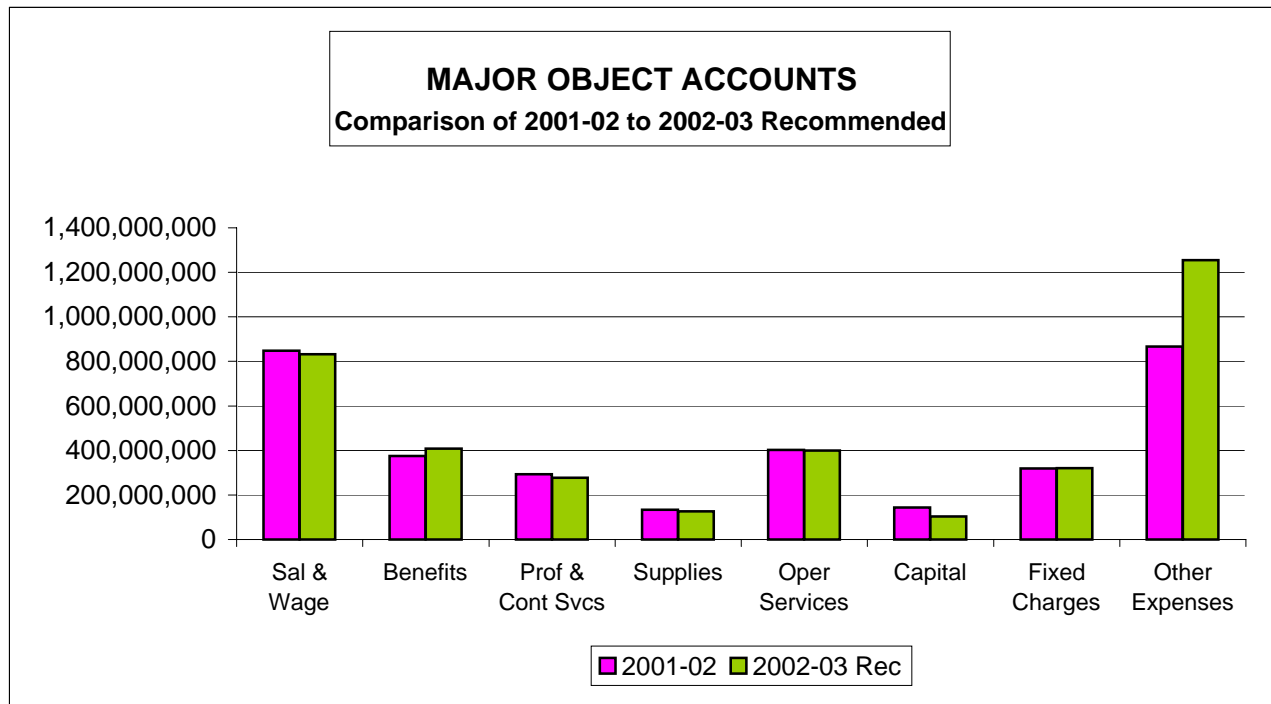
	General Fund	Community Development Block Grant	Internal Service Fund	Library	Federal Employment & Training	Major and Local Streets	Human Services	General Grants	General Debt Service	General Capital Projects	Enterprise Funds	Urban Renewal & Drug Enforcement Funds	Grand Total
GENERAL CITY AGENCIES													
EXECUTIVE AGENCIES													
A11000 Arts.....	\$712,975	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$712,975
A12000 Budget.....	2,982,363	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,982,363
A14000 Civic Center.....	22,438,977	.....	.....	.....	.....	.....	.....	.....	.....	2,800,000	.....	.....	25,238,977
A15000 Communications and Creative Services	2,303,559	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,303,559
A17000 Cultural Affairs.....	650,228	.....	.....	.....	.....	.....	.....	487,212	.....	.....	.....	.....	1,137,440
A19000 Department of Public Works.....	173,069,859	.....	.....	.....	.....	36,236,692	.....	.....	.....	1,000,000	.....	.....	210,306,551
A21000 Employment and Training.....	5,000	.....	.....	.....	87,690,854	.....	.....	.....	.....	.....	.....	.....	87,695,854
A22000 Environmental Affairs.....	2,785,912	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,785,912
A23000 Finance.....	44,760,030	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	44,760,030
A24000 Fire.....	160,546,661	.....	.....	.....	.....	.....	.....	.....	.....	1,500,000	.....	.....	162,046,661
A25000 Health.....	40,210,504	.....	.....	.....	.....	.....	.....	58,418,532	.....	1,000,000	.....	.....	99,629,036
A26000 Historical.....	3,254,007	.....	.....	.....	.....	.....	.....	.....	.....	2,250,000	.....	.....	5,504,007
A28000 Human Resources.....	28,432,281	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	28,432,281
A29000 Human Rights.....	1,992,320	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,992,320
A30000 Human Services.....	821,527	4,993,946	.....	.....	.....	.....	60,115,011	4,661,382	.....	.....	.....	.....	70,591,866
A31000 Information Technology Services.....	39,847,742	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	39,847,742
A32000 Law.....	29,335,625	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	29,335,625
A33000 Mayor's Office.....	10,449,635	487,000	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	10,936,635
A36000 Planning and Development.....	12,148,193	40,978,834	.....	.....	.....	.....	.....	.....	.....	5,000,000	.....	18,498,000	76,625,027
A37000 Police.....	367,576,811	.....	.....	.....	.....	.....	.....	13,115,286	.....	1,000,000	.....	1,600,000	383,292,097
A38000 Public Lighting.....	64,189,095	.....	.....	.....	.....	.....	.....	.....	.....	6,800,000	.....	.....	70,989,095
A39000 Recreation.....	52,699,264	.....	.....	.....	.....	.....	.....	151,200	.....	5,800,000	.....	.....	58,650,464
A40000 Senior Citizens.....	1,220,426	.....	.....	.....	.....	.....	868,273	160,000	.....	.....	.....	.....	2,248,699
A44000 Zoological Institute.....	13,235,664	.....	.....	.....	.....	.....	.....	.....	.....	2,100,000	.....	.....	15,335,664
LEGISLATIVE AGENCIES													
A50000 Auditor General.....	2,756,533	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,756,533
A51000 Board of Zoning Appeals.....	892,438	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	892,438
A52000 City Council.....	11,995,860	812,930	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	12,808,790
A53000 Ombudsperson.....	1,320,493	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,320,493
A70000 City Clerk.....	3,394,695	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	3,394,695
A71000 Department of Elections.....	9,873,805	194,838	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	10,068,643
JUDICIAL AGENCY													
A60000 36th District Court.....	49,887,447	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	49,887,447
OTHER AGENCIES													
A35000 Non-Departmental.....	274,915,244	.....	35,569,614	.....	.....	.....	.....	.....	.....	8,226,000	.....	.....	318,710,858
TOTAL GENERAL CITY AGENCIES.....	\$1,430,705,173	\$47,467,548	\$35,569,614	\$0	\$87,690,854	\$36,236,692	\$60,983,284	\$76,993,612	\$0	\$37,476,000	\$0	\$20,098,000	\$1,833,220,777
A18000 Debt Service.....	.....	.....	.....	.....	.....	.....	.....	.....	64,153,936	.....	.....	.....	64,153,936
ENTERPRISE AGENCIES													
A10000 Airport.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	135,000	3,948,933	.....	4,083,933
A13000 Buildings and Safety Engineering.....	.....	13,834,913	.....	.....	.....	.....	.....	.....	.....	.....	25,466,256	.....	39,301,169
A20000 Department of Transportation.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	181,872,071	.....	181,872,071
A34000 Municipal Parking.....	8,512,518	.....	.....	.....	.....	.....	.....	.....	.....	.....	38,528,143	.....	47,040,661
A41000 Water.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	636,314,098	.....	636,314,098
A42000 Sewerage.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	878,315,962	.....	878,315,962
A72000 Library.....	.....	.....	.....	36,688,419	.....	.....	.....	.....	.....	1,226,000	.....	.....	37,914,419
TOTAL ENTERPRISE AGENCIES.....	\$8,512,518	\$13,834,913	\$0	\$36,688,419	\$0	\$0	\$0	\$0	\$0	\$1,361,000	\$1,764,445,463	\$0	\$1,824,842,313
GRAND TOTAL.....	\$1,439,217,691	\$61,302,461	\$35,569,614	\$36,688,419	\$87,690,854	\$36,236,692	\$60,983,284	\$76,993,612	\$64,153,936	\$38,837,000	\$1,764,445,463	\$20,098,000	\$3,722,217,026

CITY OF DETROIT
SUMMARY OF 2002-03 BUDGET - APPROPRIATION BY MAJOR OBJECT

	Salaries and Wages	Employee Benefits	Professional & Contractual Services	Operating Supplies	Operating Services	Capital Equipment, Outlays and Major Repairs	Fixed Charges	Other Expenses	Grand Total
GENERAL CITY AGENCIES									
EXECUTIVE AGENCIES									
A11000 Arts.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$712,975	\$712,975
A12000 Budget.....	1,802,364	906,077	.....	55,500	211,422	.....	.....	7,000	2,982,363
A14000 Civic Center.....	4,169,568	2,092,885	4,347,300	1,719,951	7,678,645	2,800,000	2,063,938	366,690	25,238,977
A15000 Communications and Creative Services	905,133	458,958	133,482	75,100	729,326	.....	.....	1,560	2,303,559
A17000 Cultural Affairs.....	308,329	157,213	46,000	10,500	563,748	.....	.....	51,650	1,137,440
A19000 Department of Public Works.....	53,048,132	26,615,654	27,282,826	13,030,111	78,400,218	11,760,266	.....	169,344	210,306,551
A21000 Employment and Training.....	7,199,231	2,776,396	2,499,747	241,063	8,450,935	154,000	.....	66,374,482	87,695,854
A22000 Environmental Affairs.....	1,579,409	789,855	101,413	20,288	232,347	23,200	.....	39,400	2,785,912
A23000 Finance.....	22,045,937	11,055,431	4,726,669	807,225	5,370,779	57,113	367,276	329,600	44,760,030
A24000 Fire.....	95,286,579	47,721,011	3,457,670	7,012,594	6,546,722	1,802,770	.....	219,315	162,046,661
A25000 Health.....	23,868,854	11,980,909	53,648,862	3,251,231	4,291,566	1,079,110	.....	1,508,504	99,629,036
A26000 Historical.....	1,652,950	800,121	44,310	85,984	664,672	2,255,970	.....	.....	5,504,007
A28000 Human Resources.....	16,696,794	7,880,929	1,200,838	168,063	1,758,514	.....	.....	727,143	28,432,281
A29000 Human Rights.....	1,163,267	578,059	28,980	25,279	177,235	.....	.....	19,500	1,992,320
A30000 Human Services.....	6,822,196	3,420,765	50,956,209	586,378	1,757,860	48,000	.....	7,000,458	70,591,866
A31000 Information Technology Services.....	8,476,223	4,242,576	8,324,811	8,593,047	3,626,872	1,894,211	4,198,665	491,337	39,847,742
A32000 Law.....	13,346,558	6,620,525	4,921,701	306,182	3,948,659	80,000	.....	112,000	29,335,625
A33000 Mayor's Office.....	5,986,146	3,000,304	164,100	329,865	1,223,094	5,000	.....	228,126	10,936,635
A36000 Planning and Development.....	13,573,018	6,807,663	4,252,225	663,756	4,703,529	537,944	3,650,000	42,436,892	76,625,027
A37000 Police.....	225,698,016	120,444,542	4,611,931	6,060,370	11,084,364	9,618,617	.....	5,774,257	383,292,097
A38000 Public Lighting.....	18,001,098	9,023,152	2,013,940	30,655,079	4,660,883	6,834,100	.....	(199,157)	70,989,095
A39000 Recreation.....	26,373,384	12,261,784	4,044,027	2,596,607	6,294,069	5,063,446	.....	2,017,147	58,650,464
A40000 Senior Citizens.....	656,031	326,567	706,500	10,428	179,216	.....	.....	369,957	2,248,699
A44000 Zoological Institute.....	6,114,603	3,000,880	198,604	950,756	2,895,110	2,173,211	.....	2,500	15,335,664
LEGISLATIVE AGENCIES									
A50000 Auditor General.....	1,179,885	589,422	783,519	13,000	142,007	15,200	.....	33,500	2,756,533
A51000 Board of Zoning Appeals.....	510,070	221,184	42,750	10,795	101,658	.....	.....	5,981	892,438
A52000 City Council.....	6,045,002	3,018,260	1,357,362	289,785	1,173,924	197,784	.....	726,673	12,808,790
A53000 Ombudsperson.....	781,102	392,636	35,000	7,923	98,157	500	.....	5,175	1,320,493
A70000 City Clerk.....	1,378,688	700,227	52,900	250,000	1,012,880	.....	.....	.....	3,394,695
A71000 Department of Elections.....	3,904,442	1,866,414	2,303,966	428,868	890,681	83,000	587,272	4,000	10,068,643
JUDICIAL AGENCY									
A60000 36th District Court.....	22,030,392	10,276,485	4,291,914	803,700	11,359,447	232,026	.....	893,483	49,887,447
OTHER AGENCIES									
A35000 Non-Departmental.....	2,276,153	1,192,649	3,866,806	1,567,500	92,183,994	33,590,750	47,266,071	136,766,935	318,710,858
TOTAL GENERAL CITY AGENCIES.....	\$592,879,554	\$301,219,533	\$190,446,362	\$80,626,928	\$262,412,533	\$80,306,218	\$58,133,222	\$267,196,427	\$1,833,220,777
A18000 Debt Service.....	.....	.....	.....	.....	.....	.....	59,726,644	4,427,292	64,153,936
ENTERPRISE AGENCIES									
A10000 Airport.....	1,290,343	644,113	522,643	437,347	917,072	88,125	.....	184,290	4,083,933
A13000 Buildings and Safety Engineering.....	16,210,852	8,125,412	11,053,428	347,657	3,542,020	.....	.....	21,800	39,301,169
A20000 Department of Transportation.....	69,568,062	40,829,213	8,855,130	8,827,370	32,404,636	60,250	3,298,910	18,028,500	181,872,071
A34000 Municipal Parking.....	4,531,798	2,288,027	10,318,033	596,444	3,181,109	188,000	10,806,630	15,130,620	47,040,661
A41000 Water.....	47,006,783	26,498,690	32,515,371	19,278,912	52,219,488	7,860,665	87,060,300	363,873,889	636,314,098
A42000 Sewerage.....	85,133,229	22,740,345	21,311,672	15,549,720	40,982,603	9,252,000	101,766,400	581,579,993	878,315,962
A72000 Library.....	15,704,202	5,767,376	1,684,785	538,275	4,184,458	5,480,854	.....	4,554,469	37,914,419
TOTAL ENTERPRISE AGENCIES.....	\$239,445,269	\$106,893,176	\$86,261,062	\$45,575,725	\$137,431,386	\$22,929,894	\$202,932,240	\$983,373,561	\$1,824,842,313
GRAND TOTAL.....	\$832,324,823	\$408,112,709	\$276,707,424	\$126,202,653	\$399,843,919	\$103,236,112	\$320,792,106	\$1,254,997,280	\$3,722,217,026

CITY OF DETROIT

Summary of Appropriations



SUMMARY – ALL FUNDS

SUMMARY OF APPROPRIATIONS-EXPLANATIONS OF CHANGES APPROPRIATIONS BY OBJECT (all funds)

	2001-02 Budget	2002-2003 Recommended	Difference	Percent Change
Salary and Wages	848,105,613	832,324,823	(15,780,790)	(1.86)%
Employee Benefits	374,830,057	408,112,709	33,282,652	8.88%
Prof and Contr Services	293,929,,812	276,707,424	(17,222,388)	(5.86)%
Operating Supplies	133,856,808	126,202,653	(7,654,155)	(5.72)%
Operating Services	402,526,909	399,843,919	(2,682,990)	(0.07)%
Capital Equipment	79,633,326	70,877,714	(8,755,612)	(11.0)%
Capital Outlays	64,066,086	33,584,398	(30,481,688)	(47.6)%
Fixed Charges	319,267,417	320,792,106	1,524,689	0.48%
Other Expenses	866,572,602	1,253,771,280	387,198,679	44.7%
Total	\$ 3,382,788,630	\$ 3,722,217,026	\$339,428,396	10.03%

- < Salary and Wages - The 2002-03 Recommended Budget is \$15.78 million lower (1.86%) than 2001-02 due to 1,089 fewer positions.

< \$3.3 million in consultant services in the Finance Department
- < Employee Benefits - The 2002-03 Recommended Budget is \$33.3 million higher (8.88%) than current budget. This is due to:

 - < Average Health Insurance increases exceeded 7.7%
 - < Increased Pension Rates based on actuarial calculations

< \$1.7 million for legal services in the Law Department

< \$1.0 million for contractual services in ITS

< \$1.8 million for contractual services in Human Resources
- < Professional and Contractual Services - The 2002-03 Recommended Budget is \$17.2 million lower (5.86%) than the current budget

 - < \$2.4 million for Communication in the Department of Transportation

< Operating Supplies - The 2002-03 Recommended Budget is \$7.65 million (5.72%) lower than current budget.

 - < Basic supply procurement

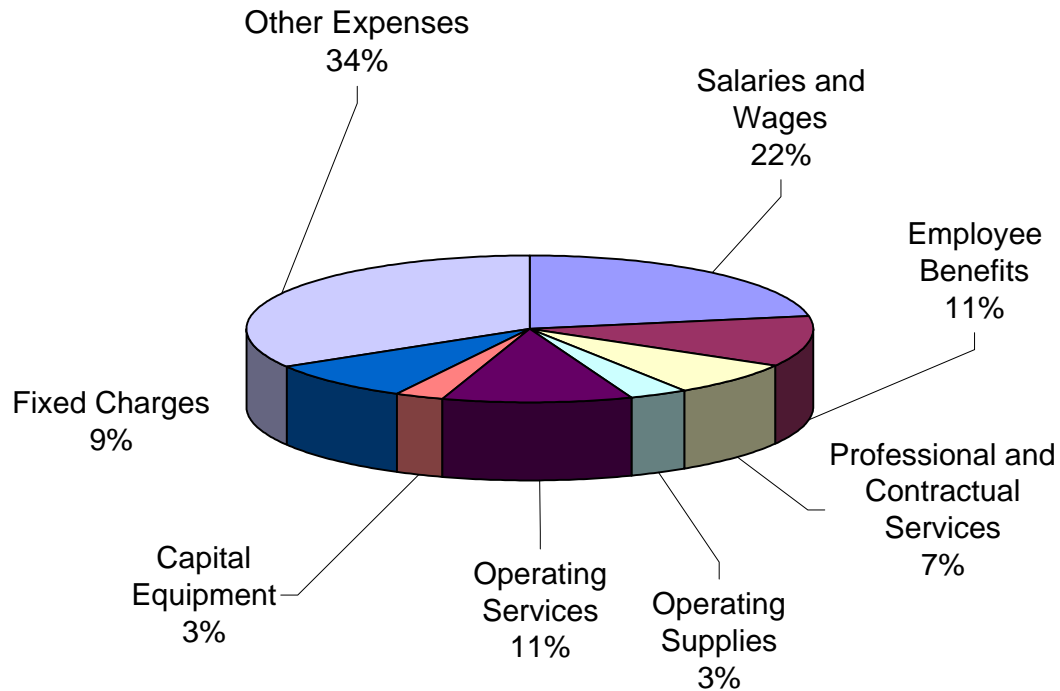
< Operating Services - The 2002-03 Recommended Budget is \$2.68 million lower (0.07%) than current budget. This is primarily due to :

 - < \$21.53 million decrease in the GDRRA sale-lease back payment in Non-Departmental

SUMMARY – ALL FUNDS

- < \$1.44 million decrease in GDRRA's Tipping Fee
- < Capital Equipment - The 2002-03 Recommended Budget is \$8.75 million lower (11.0%) than current budget.
 - < Decrease of \$4.8 million in capital equipment for computer and server upgrades in ITS
 - < Decrease of \$2.9 million in Airport for mini-take land acquisition
- < Capital Outlays - The 2002-03 Recommended Budget is \$ 30.4 million lower (47.6%) than the current budget
 - < \$18.3 million decrease in street construction and traffic control in DPW
 - < Decrease of \$2.1 million for major repairs at Historical.
- < Fixed Charges - The 2002-03 Recommended Budget is \$1.52 million (0.48%) higher than the current budget.
 - < Decrease of \$5.2 million for general city debt service payment of principal and interest.
 - < \$ 8.9 million increase for Water Department payments on bond debt service
- < Other Expenses - The 2002-03 Recommended Budget is \$387.2 million higher (44.7%) than current budget.
 - < Increase due primarily to \$377 million Water bond sale for next year

CITY OF DETROIT
Summary of 2002-2003 Budget
Appropriations by Major Object



MAJOR OBJECT	AMOUNT
Salaries and Wages	\$832,324,823
Employee Benefits	408,112,709
Professional and Contractual Services	276,707,424
Operating Supplies	126,202,653
Operating Services	399,843,919
Capital Equipment	103,236,112
Fixed Charges	320,792,106
Other Expenses	1,254,997,280
TOTAL	\$3,722,217,026

BUDGET STABILIZATION FUND HISTORY			
	Deposits	Withdrawals	Fund Balance on June 30
1986-87	29,153,008		53,120,296
1987-88	7,286,131		60,406,427
1988-89	12,215,246		72,621,673
1989-90	3,406,980		76,028,653
1990-91		53,894,025	22,134,628
1991-92		22,134,628	0
1992-93			0
1993-94			0
1994-95			0
1995-96	9,988,325		9,988,325
1996-97	9,219,027		19,207,351
1997-98	6,209,081		25,416,432
1998-99	6,690,030		32,106,462
1999-00	827,937		32,934,399
2000-01	1,150,987		34,085,386
2001-02 (est)		26,395,130	7,690,256
2002-03 (proj)	0		7,690,256

GENERAL FUND SURPLUS/(DEFICIT) HISTORY				
Fiscal Year	Total Expenditures	Final Operating Results		Surplus/(Deficit) As a Percent of Total Expenditures
		Surplus	Deficit	
1986-87	1,050,432,547	14,572,263		1.39%
1987-88	1,088,892,618	24,430,492		2.24%
1988-89	1,118,524,899	6,813,959		0.61%
1989-90	1,275,764,588		46,515,815	-3.65%
1990-91	1,187,721,203		105,928,296	-8.92%
1991-92	1,151,648,623		106,089,304	-9.21%
1992-93	1,066,685,029		26,203,862	-2.46%
1993-94	1,431,169,479		53,389,000	-3.73%
1994-95	1,104,566,720	19,976,648		1.81%
1995-96	1,448,324,141	18,438,000		1.27%
1996-97	1,322,693,636	12,418,161		0.94%
1997-98	1,406,349,518	13,380,061		0.95%
1998-99	1,313,549,909	1,655,874		0.12%
1999-00	1,384,205,512	2,301,976		0.16%
2000-01 (est)	1,322,795,579		26,395,130	-1.99%
2001-02 (proj)	1,508,640,016	0		n/a

**General Fund and General Grants
Statement of Revenue, Expenditures and Changes in Fund Balance**

	2002-03 Recommended	2001-02 Estimate	2001-02 Budget	2000-01 Actual	2000-01 Budget
Fund Balance at Beginning of Year.....	0	(26,395,130)	0	250,020,740	0
Revenues:					
Taxes, Assessment, Interest and Penalties.....	681,639,388	668,900,582	732,109,082	654,408,202	704,062,014
Licenses, Permits, and Inspection Charges.....	11,130,974	27,760,916	31,263,600	10,061,177	26,547,716
Shared Taxes.....	333,256,455	333,272,306	333,272,306	333,866,305	333,263,385
Grants.....	107,169,061	79,340,672	79,340,672	77,292,945	88,072,902
Sales and Charges for Services.....	181,337,597	189,876,223	179,654,400	185,856,472	167,236,584
Ordinance Fines.....	19,145,000	18,982,556	18,482,556	18,520,006	16,973,000
Revenues from Use of Assets.....	27,675,640	24,963,166	27,735,166	41,009,890	30,086,745
Other Revenues.....	77,863,576	117,511,057	106,782,234	47,869,914	47,129,226
Total Revenues.....	1,439,217,691	1,460,607,478	1,508,640,016	1,368,884,911	1,413,371,572
Other Financing Sources:					
Proceeds from Bonds, Notes, and Loans-Net.....	--	--	--		
Transfers:					
Special Revenue Fund.....	--	--	--	57,858,685	
Capital Projects Fund.....	--	--	--	--	
Trust and Agency Funds.....	--	--	--	349,875	
Component Units.....	--	--	--	32,246,383	
Total Other Financing Sources.....				90,454,943	
Total Revenues and Other Financing Sources	1,439,217,691	1,460,607,478	1,508,640,016	1,459,339,854	1,413,371,572
Expenditures:					
Public Protection:					
Consumer Affairs.....	--	1,857,039	1,968,762	1,689,493	1,885,286
Fire.....	160,546,661	148,840,107	152,333,646	155,388,154	152,208,532
Human Rights.....	1,992,320	1,874,471	2,141,980	1,755,939	2,205,929
Ombudsman.....	1,320,493	1,354,536	1,418,986	1,363,361	1,326,104
Parking Enforcement.....	8,512,518	8,630,588	9,202,370	8,089,100	9,137,034
Police.....	365,419,560	338,356,453	331,775,139	382,533,163	336,812,049
36th District Court.....	49,887,447	48,013,831	46,755,797	44,829,385	44,869,269
Total Public Protection.....	587,678,999	548,927,025	545,596,680	595,648,595	548,444,203
Health.....	39,590,504	34,371,772	36,818,782	88,972,813	35,563,201
Recreation and Culture:					
Arts.....	712,975	750,500	750,500	1,400	790,000
Cultural Affairs.....	600,228	560,227	595,686	1,023,434	619,508
Historical.....	3,254,007	2,969,305	3,370,546	3,176,673	3,564,296
Recreation.....	52,699,264	44,545,730	54,424,665	48,136,601	54,408,547
Senior Citizens.....	945,338	648,928	828,956	678,634	1,123,508
Youth.....	--	1,317,529	1,649,594	2,618,137	897,308
Zoological Park.....	13,235,664	12,688,208	14,649,400	11,758,540	14,059,913
Total Recreation and Culture.....	71,447,476	63,480,427	76,269,347	67,393,419	75,463,080
Economic Development-Civic Center.....	20,375,039	22,246,507	20,437,930	25,867,458	20,651,954
Housing Supply and Conditions:					
Buildings And Safety Engineering.....	--	23,704,080	24,582,542	0	23,892,362
Planning and Development.....	12,148,193	13,658,779	14,920,948	18,632,798	14,162,528
Total Housing Supply and Conditions.....	12,148,193	37,362,859	39,503,490	18,632,798	38,054,890
Physical Environment					
Environmental Affairs.....	2,785,912	1,335,483	1,883,014	1,147,348	1,745,873
Public Lighting.....	64,449,786	57,232,260	62,287,346	70,757,080	61,481,084
Public Works.....	173,069,859	194,248,933	206,053,306	203,464,120	192,687,954
Total Physical Environment.....	240,305,557	252,816,676	270,223,666	275,368,548	255,914,911

General Fund and General Grants
Statement of Revenue, Expenditures and Changes in Fund Balance

	2002-03 Recommended	2001-02 Estimate	2001-02 Budget	2000-01 Actual	2000-01 Budget
Development and Management:					
Auditor General.....	2,756,533	2,885,939	3,037,831	2,986,823	3,363,108
Budget.....	2,982,363	2,878,920	3,030,615	2,890,017	3,070,495
City Clerk.....	3,394,695	3,449,919	3,619,919	3,217,558	3,611,679
City Council.....	11,995,860	12,276,727	12,849,727	11,092,523	11,389,595
Election Commission.....	9,286,533	9,353,575	9,983,575	8,213,741	8,400,660
Finance.....	44,410,754	43,513,314	49,300,803	40,937,385	46,516,150
Law.....	29,335,625	29,296,907	31,460,007	28,147,285	27,661,431
Mayor's Office.....	10,449,635	10,282,512	10,508,017	9,190,162	10,226,351
Human Resources.....	28,432,281	29,861,827	32,183,276	28,838,192	30,728,507
Information Technology Services.....	35,649,077	35,940,406	43,167,623	30,037,651	40,189,460
Communication and Creative Services.....	2,303,559	2,191,774	2,457,317	2,129,267	2,402,360
Zoning Appeals Board.....	892,438	811,182	957,395	654,094	1,040,563
Non Departmental.....	130,006,925	125,370,178	150,164,986	82,577,250	167,673,106
Total Development and Management.....	311,896,278	308,113,180	352,721,091	250,911,948	356,273,465
Total Expenditures.....	1,283,442,046	1,267,318,446	1,341,570,986	1,322,795,579	1,330,365,704
Other Financing Uses - Transfers					
Other Funds:					
Major Street Fund.....	--	--	--	--	--
Construction Code Fund.....	--	--	--	6,437,218	--
Detroit Building Authority.....	--	--	--	500,000	--
Neighborhood Services Fund.....	746,527	1,182,645	1,214,000	4,492,648	1,089,000
Federal Employment and Training Funds.....	5,000	0	--	87,893	49,000
Capital Projects Fund.....	--	--	--	6,588,428	--
General Debt Service Fund.....	54,465,222	55,175,495	55,175,495	45,988,298	--
Airport Fund.....	2,430,701	1,918,474	2,062,247	1,895,984	1,895,984
Urban Renewal Fund.....	--	--	--	--	--
Transportation Fund.....	78,381,067	84,797,721	84,797,721	74,183,229	79,151,884
Trust and Agency Funds.....	--	--	--	--	--
Housing.....	1,257,000	1,257,000	1,257,000	--	820,000
Component Units.....	18,490,128	22,562,567	22,562,567	25,769,928	--
Payment to Refunded Debt Escrow					
Total Other Financing Uses.....	155,775,645	166,893,902	167,069,030	165,943,626	83,005,868
Total Expenditures and Other Financing Uses	1,439,217,691	1,434,212,348	1,508,640,016	1,488,739,205	1,413,371,572
Excess (Deficiency) of Revenues and Other Financing					
Sources Over/(Under) Expenditures and Other					
Financing Uses.....	0	26,395,130	0	(29,399,351)	0
Cumulative Effect of Change in Accounting Principle.....	--	--	--	--	--
Increase in Inventories.....	--	--	--	(2,531,050)	--
Fund Balance at End of Year.....	0	0	0	218,090,339	0

Source: Comprehensive Annual Financial Report, Budget

Note: Fund Balance at the End of Year for 2002-03 Recommended, 2001-02 Estimate and 2001-02 Budget represents the unreserved Fund Balance. In accordance with Michigan Public Act 245 of 1999, a separate revenue fund has been established to meet the legal requirements for fiscal year 2002-2003 and Buildings and Safety be viewed as an Enterprise Agency.

See the Surplus/Deficit Schedule and Budget Fund History for more information on General Fund Balance History and Budget Stabilization Fund History.

CITY OF DETROIT
PERSONAL SERVICES - COMPARISON OF
2001-02 BUDGET TO 2002-2003 MAYOR'S RECOMMENDED BUDGET

	2000-01 ACTUAL	2001-02 BUDGET	2002-03 CITY RECOM	2002-03 GRANT RECOM	2002-03 TOTAL RECOM	01-02 to 02-03 INCREASE (DECREASE)
<u>GENERAL CITY AGENCIES</u>						
<u>EXECUTIVE AGENCIES</u>						
11 Arts	0	0	0	0	0	0
12 Budget	33	33	32	0	32	(1)
14 Civic Center	90	106	96	0	96	(10)
15 Communication and Creative Services	18	21	20	0	20	(1)
16 Consumer Affairs	22	25	0	0	0	(25)
17 Cultural Affairs	5	5	5	0	5	0
19 Department of Public Works	1,457	1,472	1,361	0	1,361	(111)
21 Employment and Training	88	95	0	95	95	0
22 Environmental Affairs	12	14	37	0	37	23
23 Finance	495	577	549	0	549	(28)
Fire-Civilian	428	458	458	0	458	0
Fire-Uniformed	<u>1,373</u>	<u>1,428</u>	<u>1,428</u>	<u>0</u>	<u>1,428</u>	<u>0</u>
24 Fire-Total	1,801	1,886	1,886	0	1,886	0
25 Health	570	667	489	157	646	(21)
26 Historical	32	47	39	6	45	(2)
28 Human Resources	417	444	406	0	406	(38)
29 Human Rights	24	30	27	0	27	(3)
30 Department of Human Services	146	174	11	164	175	1
31 Information Technology Services	156	177	165	0	165	(12)
32 Law	191	219	217	0	217	(2)
33 Mayor's Office	87	99	97	3	100	1
36 Planning and Development	266	317	80	223	303	(14)
Police-Civilian	590	633	649	3	652	19
Police-Uniformed	<u>4,305</u>	<u>4,384</u>	<u>4,165</u>	<u>98</u>	<u>4,263</u>	<u>(121)</u>
37 Police-Total	4,895	5,017	4,814	101	4,915	(102)
38 Public Lighting	302	369	307	0	307	(62)
39 Recreation	1,202	816	778	1	779	(37)
40 Senior Citizens	9	13	10	4	14	1
43 Youth	6	6	0	0	0	(6)
44 Zoological Institute	204	184	174	0	174	(10)
<u>LEGISLATIVE AGENCIES</u>						
50 Auditor General	18	26	20	0	20	(6)
51 Zoning	15	17	16	0	16	(1)
52 City Council	99	104	97	7	104	0
53 Ombudsman	10	11	11	0	11	0
70 City Clerk	25	30	29	0	29	(1)
71 Election Commission	152	108	108	0	108	0
<u>JUDICIAL AGENCY</u>						
60 36th District Court	30	519	508	0	508	(11)
<u>OTHER AGENCIES</u>						
35 Non-Departmental	29	36	38	0	38	2
TOTAL GENERAL CITY AGENCIES	12,906	13,664	12,427	761	13,188	(476)
<u>ENTERPRISE AGENCIES</u>						
10 Airport	34	41	22	0	22	(19)
13 Buildings and Safety Engineering	321	390	320	40	360	(30)
20 Department of Transportation	1,634	1,861	1,838	0	1,838	(23)
27 Housing	333	442	0	0	0	(442)
34 Municipal Parking	115	136	133	0	133	(3)
41 D.W.S.D. - Water Supply	1,803	2,420	2,407	0	2,407	(13)
42 D.W.S.D. - Sewage Disposal	1,112	1,499	1,477	0	1,477	(22)
72 Library	508	537	476	0	476	(61)
TOTAL ENTERPRISE AGENCIES	5,860	7,326	6,673	40	6,713	(613)
GRAND TOTAL	18,766	20,990	19,100	801	19,901	(1,089)

SUMMARY – ALL FUNDS PERSONAL SERVICES

There are 1,089 fewer positions in the 2002-2003 Recommended Budget than the 2001-2002 Budget. In general vacant positions were deleted or positions were moved as part of a reorganization. The Major Changes are:

Airport – (19) FTE

- ❖ Administration was reduced by three (3).
- ❖ Maintenance was reduced by five (5).
- ❖ Public Safety lost eight (8).
- ❖ These reductions are due to recognizing the City Airport as a general aviation facility.

Buildings and Safety – (30) FTE

- ❖ Administration was reduced by four (4).
- ❖ Plan Review was reduced by eight (8).
- ❖ Inspections were reduced by thirty-seven (37).
- ❖ Thirty-four (34) positions from Department of Public Works were added for demolition activities.

Civic Center – (10) FTE

- ❖ Administration was reduced by four (4).
- ❖ Cobo Center was reduced by six (6).

Consumer Affairs – (25) FTE

- ❖ The functions of the Consumer Affairs department are being transferred to other departments.
- ❖ Consumer Advocacy function to Senior Citizens
- ❖ Business Licenses function to Planning and Development
- ❖ Weights and Measures function to Police

DWSD - Water Supply – (13) FTE

- ❖ Thirty-nine (39) positions were deleted from Materials Management.
- ❖ These were offset by increases in Info Systems, twenty-one (21) positions, and five (5) in Contracts and Grants.

DWSD - Sewage Disposal – (22) FTE

- ❖ Twenty-two (22) positions were deleted from Plant Maintenance.

Department of Public Works – (111) FTE

- ❖ Fifty-one (51) positions from Litter and Rodent Control were reassigned to Environmental Affairs and Health Departments as part of a reorganization of the function.
- ❖ Thirty-four (34) positions were deleted reflecting the move of the demolition operation to the Buildings & Safety Engineering Department.
- ❖ Six (6) positions deleted in Solid Waste, thirteen (13) deleted in Vehicle Management and seven (7) in City Engineering

Environmental Affairs - 23 FTE

- ❖ Established a Compliance and Enforcement Division by transferring twenty (20) positions from Buildings and Safety Engineering and Department of Public Works
- ❖ Standardized approach to Brownsfield redevelopment by transferring 3 positions from Planning and Development

Finance – (28) FTE

- ❖ Six (6) positions were deleted in both Assessors and in the Treasury divisions.
- ❖ Four (4) were deleted in the Accounts Payable Section.
- ❖ Five (5) were deleted from the Targeted Business Development section.

Health – (21) FTE

- ❖ Thirteen (13) positions were deleted from Primary Care.

SUMMARY – ALL FUNDS PERSONAL SERVICES

- ❖ Seven (7) were deleted from Plant Operations and Maintenance.

Human Resources – (38) FTE

- ❖ Twenty-one (21) positions were deleted from the Apprenticeship Program.
- ❖ Fourteen (14) were transferred to Police Payroll from Employee Services
- ❖ Three positions from various sections

Housing – (442) FTE

- ❖ All positions were deleted to reflect the Housing Department becoming an independent agency.

Information Technology Services – (12) FTE

- ❖ Three (3) positions were deleted from Operations.
- ❖ Two (2) positions were deleted from Client Server-Applications.
- ❖ Seven (7) positions from other sections.

Library – (61) FTE

- ❖ Positions were reduced in Library due to cuts in State Funding and reduced Property Tax collections.

Planning and Development –(14) FTE

- ❖ Five (5) positions were deleted from Neighborhood Development
- ❖ Five (5) positions were deleted from Housing Service.
- ❖ Four (4) positions were deleted from HOME Administration.

Police – (102) FTE

- ❖ One hundred-twenty-one (121) uniform positions were deleted due to the loss of a COPS grant.
- ❖ Fourteen (14) from Human Resources to Police payroll

Public Lighting – (62) FTE.

- ❖ Five (5) positions were deleted from the Administration Section.
- ❖ Seven (7) positions were deleted from Engineering.
- ❖ Twenty-eight (28) positions were deleted from the Construction and Maintenance Section.
- ❖ Eleven (11) positions were deleted from the Operating Division.
- ❖ Nine (9) positions were deleted for the Heat and Power Production.

Recreation – (37) FTE

- ❖ Six (6) positions were deleted from Development and Support.
- ❖ Twelve (12) positions were deleted from West District Operations
- ❖ Six (6) were deleted from East District
- ❖ Eight (8) were deleted from the Greater Downtown District.

Youth – (6) FTE

- ❖ Transferred functions to other departments
- ❖ Youth Advocacy was transferred to Department of Human Services
- ❖ After School programs were transferred to Recreation

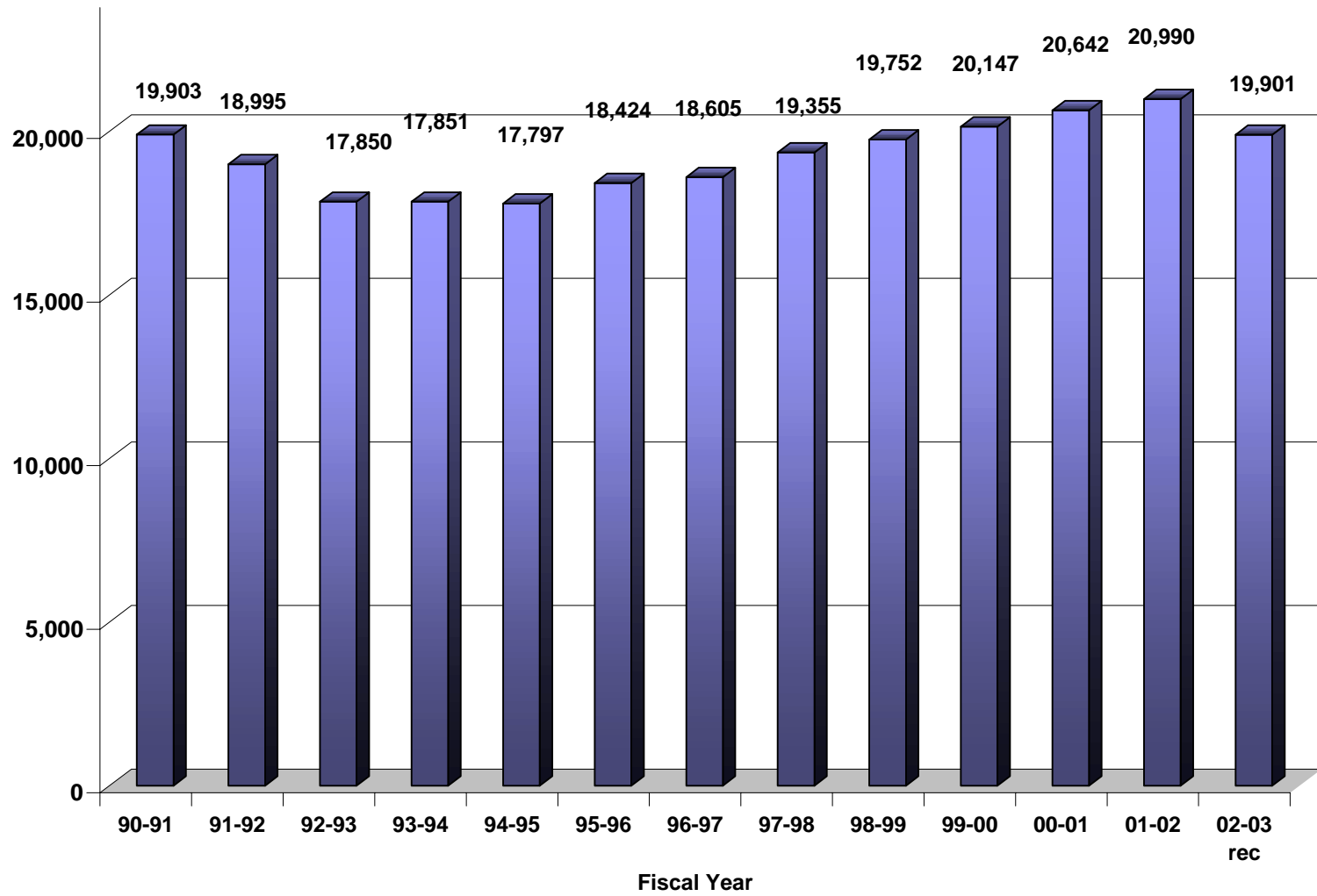
Zoological Institute –(10) FTE

- ❖ Due to Belle Isle Zoo not reopening this summer 2 positions were eliminated
- ❖ Various positions were deleted at the Main Zoo

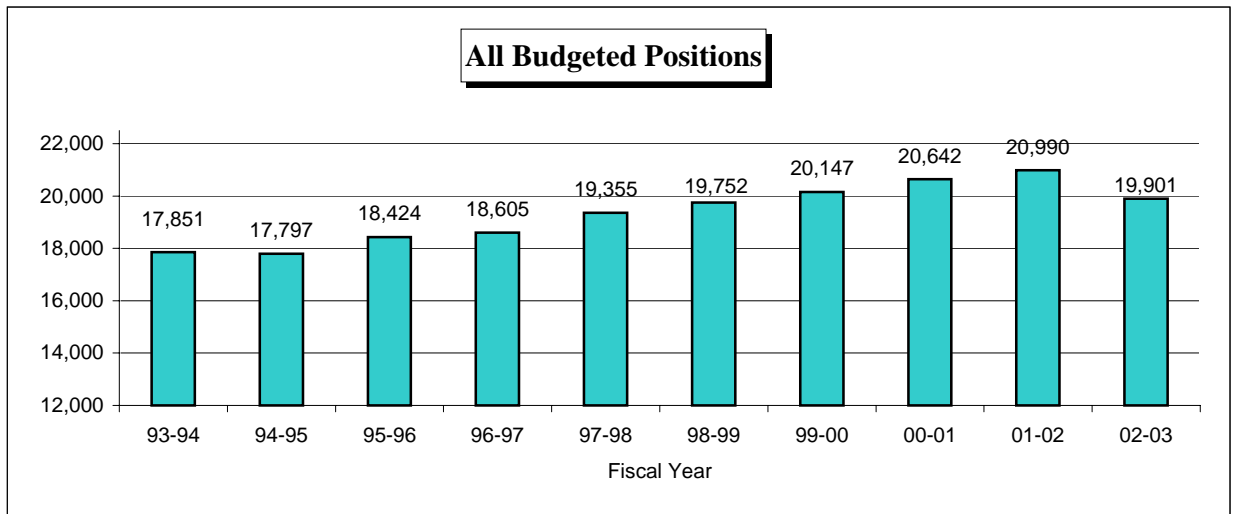
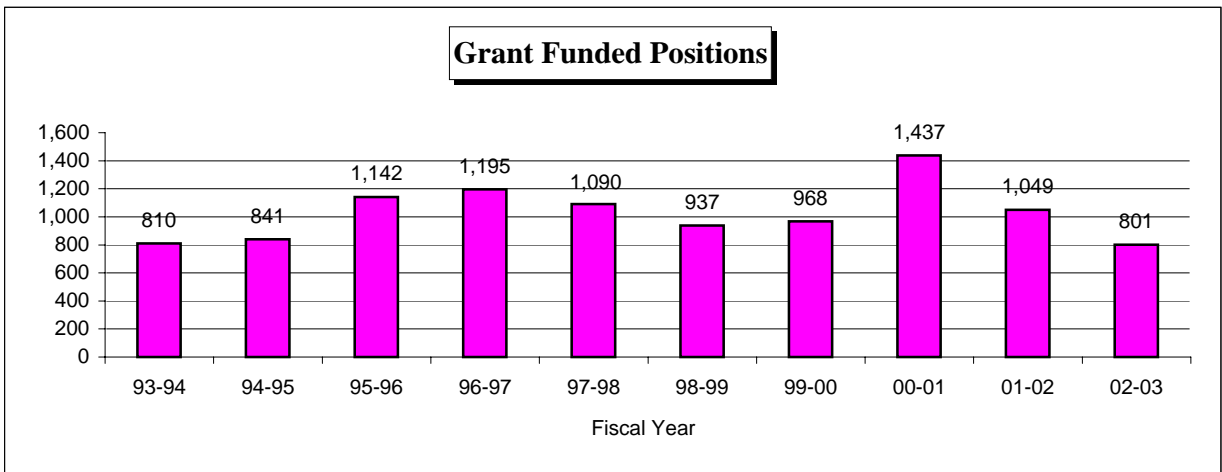
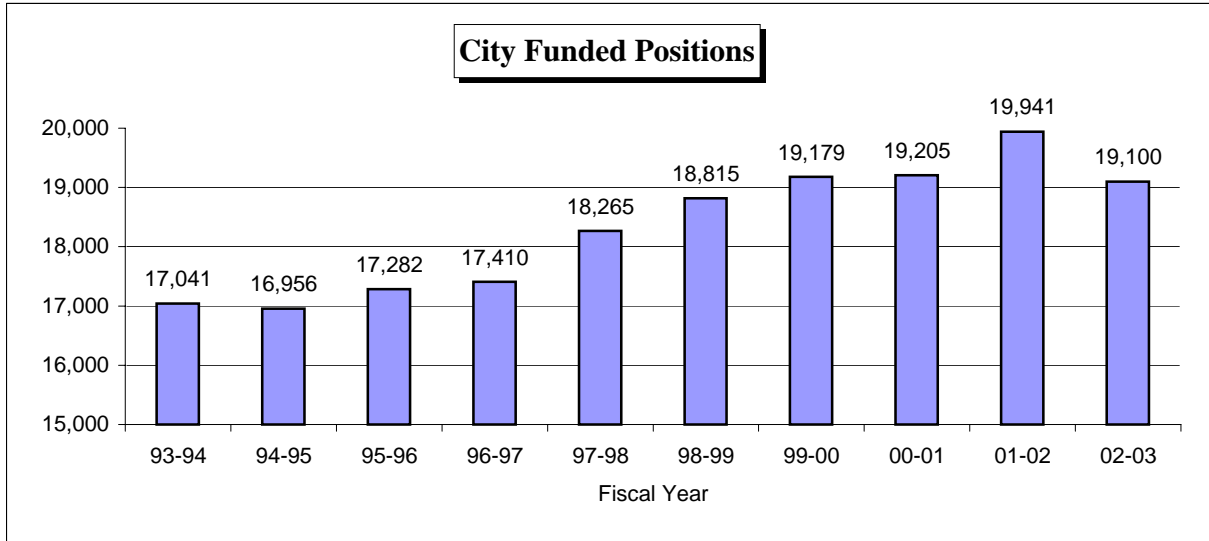
36th District Court – (11) FTE

- ❖ Various administrative and clerical positions were deleted

City of Detroit Total Number of Budgeted Positions



CITY OF DETROIT HISTORY OF BUDGETED POSITIONS



CITY OF DETROIT
SUMMARY OF 2002-03 MAYOR'S RECOMMENDED BUDGET - REVENUES BY FUND

	General Fund	Community Development Block Grant	Internal Service Fund	Library	Federal Employment & Training	Major and Local Streets	Human Services	General Grants	General Debt Service	General Capital Projects	Enterprise Funds	Urban Renewal & Drug Enforcement Funds	Grand Total
GENERAL CITY AGENCIES													
EXECUTIVE AGENCIES													
A11000 Arts.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$0
A12000 Budget.....													0
A14000 Civic Center.....	7,578,910									2,800,000			10,378,910
A15000 Communications and Creative Services.....													0
A17000 Cultural Affairs.....	18,850							487,212					506,062
A19000 Department of Public Works.....	38,268,010					36,236,692				1,000,000			75,504,702
A21000 Employment and Training.....					87,690,854								87,690,854
A22000 Environmental Affairs.....	230,000												230,000
A23000 Finance.....	7,643,489												7,643,489
A24000 Fire.....	8,519,550									1,500,000			10,019,550
A25000 Health.....	13,525,883							58,418,532		1,000,000			72,944,415
A26000 Historical.....	549,550									2,250,000			2,799,550
A28000 Human Resources.....	11,796,682												11,796,682
A29000 Human Rights.....	13,500												13,500
A30000 Human Services.....		4,993,946					60,115,011	4,661,382					69,770,339
A31000 Information Technology Services.....	3,094,857												3,094,857
A32000 Law.....	3,811,332												3,811,332
A33000 Mayor's Office.....		487,000											487,000
A36000 Planning and Development.....	12,385,460	40,978,834								5,000,000		18,498,000	76,862,294
A37000 Police.....	73,085,966							13,115,286		1,000,000		1,600,000	88,801,252
A38000 Public Lighting.....	53,811,700									6,800,000			60,611,700
A39000 Recreation.....	7,875,178							151,200		5,800,000			13,826,378
A40000 Senior Citizens.....							868,273	160,000					1,028,273
A44000 Zoological Institute.....	9,202,327									2,100,000			11,302,327
LEGISLATIVE AGENCIES													
A50000 Auditor General.....	200,000												200,000
A51000 Board of Zoning Appeals.....	120,000												120,000
A52000 City Council.....	3,850	812,930											816,780
A53000 Ombudsperson.....													0
A70000 City Clerk.....													0
A71000 Department of Elections.....	2,500	194,838											197,338
JUDICIAL AGENCY													
A60000 36th District Court.....	17,803,899												17,803,899
OTHER AGENCIES													
A35000 Non-Departmental.....	1,159,976,198		35,569,614							8,226,000			1,203,771,812
TOTAL GENERAL CITY AGENCIES.....	\$1,429,517,691	\$47,467,548	\$35,569,614	\$0	\$87,690,854	\$36,236,692	\$60,983,284	\$76,993,612	\$0	\$37,476,000	\$0	\$20,098,000	\$1,832,033,295
A18000 Debt Service.....									64,153,936				64,153,936
ENTERPRISE AGENCIES													
A10000 Airport.....										135,000	3,948,933		4,083,933
A13000 Buildings and Safety Engineering.....		13,834,913									25,466,256		39,301,169
A20000 Department of Transportation.....											181,872,071		181,872,071
A34000 Municipal Parking.....	9,700,000										38,528,143		48,228,143
A41000 Water.....											636,314,098		636,314,098
A42000 Sewerage.....											878,315,962		878,315,962
A72000 Library.....				36,688,419						1,226,000			37,914,419
TOTAL ENTERPRISE AGENCIES.....	\$9,700,000	\$13,834,913	\$0	\$36,688,419	\$0	\$0	\$0	\$0	\$0	\$1,361,000	\$1,764,445,463	\$0	\$1,826,029,795
GRAND TOTAL.....	\$1,439,217,691	\$61,302,461	\$35,569,614	\$36,688,419	\$87,690,854	\$36,236,692	\$60,983,284	\$76,993,612	\$64,153,936	\$38,837,000	\$1,764,445,463	\$20,098,000	\$3,722,217,026

CITY OF DETROIT
General Fund Revenue History

	2002-03 Recommended	2001-02 Budget	2000-01 Budget	1999-00 Budget	1998-99 Budget
GENERAL CITY AGENCIES					
EXECUTIVE AGENCIES					
11 Arts.....	--	--	--	--	--
12 Budget.....	--	--	--	--	--
* 13 Buildings and Safety Engineering.....	--	21,550,000	19,680,000	18,973,310	16,676,420
14 Civic Center.....	7,578,910	7,572,991	7,151,000	6,720,192	6,421,000
15 Communication and Creative Services.....	--	--	--	--	--
16 Consumer Affairs.....	--	2,016,740	1,958,000	1,838,000	1,876,000
17 Cultural Affairs.....	18,850	20,000	18,600	16,000	12,110
19 Department of Public Works.....	38,268,010	65,090,858	56,204,092	55,820,241	52,460,987
21 Employment and Training.....	--	--	--	--	--
22 Environmental Affairs.....	230,000	--	--	211,000	--
23 Finance.....	7,643,489	6,582,730	5,113,974	5,315,557	5,456,297
24 Fire.....	8,519,550	8,255,477	7,359,537	7,015,877	7,532,681
25 Health.....	13,525,883	13,966,876	12,240,000	13,300,000	11,879,500
26 Historical.....	549,550	476,200	525,062	522,800	795,200
28 Human Resources.....	11,796,682	11,650,279	11,648,950	10,429,639	10,585,377
29 Human Rights.....	13,500	13,500	13,500	23,617	14,142
30 Human Services.....	--	--	--	--	--
31 Information Technology Services.....	3,094,857	4,019,905	4,227,835	3,749,659	3,484,409
32 Law.....	3,811,332	3,726,332	3,726,332	3,990,931	3,561,666
33 Mayor's Office.....	--	8,000	--	5,000	5,000
36 Planning & Development.....	12,385,460	5,440,000	5,150,000	5,300,000	5,565,000
37 Police.....	73,085,966	71,571,387	71,560,516	70,314,910	68,373,657
38 Public Lighting.....	53,811,700	51,600,000	48,714,900	50,155,300	51,946,000
39 Recreation.....	7,875,178	7,591,124	7,513,815	6,911,840	6,024,497
40 Senior Citizens.....	--	--	--	--	--
43 Youth.....	--	--	--	--	--
44 Zoological Institute.....	9,202,327	9,050,408	8,382,109	8,123,683	7,359,307
LEGISLATIVE AGENCIES					
50 Auditor General.....	200,000	300,000	300,200	300,190	300,200
51 Zoning.....	120,000	112,000	100,000	95,000	85,000
52 City Council.....	3,850	3,850	3,850	3,850	7,850
53 Ombudsman.....	--	--	--	--	--
70 City Clerk.....	--	--	5,000	5,000	5,000
71 Election Commission.....	2,500	15,000	7,000	982,134	7,000
JUDICIAL AGENCY					
60 36th District Court.....	17,803,899	19,455,918	21,800,482	26,994,177	24,318,811
OTHER AGENCIES					
35 Non-Departmental.....	1,159,976,198	1,189,050,441	1,110,466,818	1,082,703,605	1,024,615,870
TOTAL GENERAL CITY AGENCIES.....	\$1,429,517,691	\$1,499,140,016	\$1,403,871,572	\$1,379,821,512	\$1,309,368,981
18 Debt Service Fund.....	--	--	--	--	--
ENTERPRISE AGENCIES					
10 Airport.....	--	--	--	--	--
27 Housing.....	--	--	--	--	--
20 Department of Transportation.....	--	--	--	--	--
34 Municipal Parking.....	9,700,000	9,500,000	9,500,000	8,700,000	9,200,000
41 D.W.S.D.- Water Supply.....	--	--	--	--	--
42 D.W.S.D.- Sewage Disposal.....	--	--	--	--	--
72 Library.....	--	--	--	--	--
TOTAL ENTERPRISE AGENCIES.....	\$9,700,000	\$9,500,000	\$9,500,000	\$8,700,000	\$9,200,000
TOTAL TRANSFERS.....	--	--	--	--	--
GRAND TOTAL.....	\$1,439,217,691	\$1,508,640,016	\$1,413,371,572	\$1,388,521,512	\$1,318,568,981

Sources: Comprehensive Annual Financial Report, Redbook

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* In accordance with Michigan Public Act 245 of 1999, a separate revenue fund has been established to meet the legal requirements for fiscal year 2002-2003 and Buuildings and Safety be viewed as an Enterprise Agency.

CITY OF DETROIT
SUMMARY OF 2002-03 MAYOR'S RECOMMENDED BUDGET - REVENUES BY MAJOR CLASSIFICATION

	Taxes, Assessments and Interest	Licenses, Permits and Inspection Charges	Fines, Forfeits and Penalties	Revenues from Use of Assets	Grants, Shared Taxes and Revenues	Sales and Charges for Services	Sales of Assets and Compensation for Losses	Contributions and Transfers	Miscellaneous	Grand Total
GENERAL CITY AGENCIES										
EXECUTIVE AGENCIES										
A11000 Arts	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$0
A12000 Budget . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	0
A14000 Civic Center . . . . .	. . . . .	. . . . .	. . . . .	7,009,051	. . . . .	562,859	. . . . .	1,400,000	1,407,000	10,378,910
A15000 Communications and Creative Services . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	0
A17000 Cultural Affairs . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	433,500	22,562	. . . . .	50,000	. . . . .	506,062
A19000 Department of Public Works	36,113,910	6,941,660	. . . . .	1,315,798	. . . . .	30,054,920	1,052,264	. . . . .	26,150	75,504,702
A21000 Employment and Training . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	87,440,854	. . . . .	. . . . .	. . . . .	250,000	87,690,854
A22000 Environmental Affairs . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	230,000	. . . . .	. . . . .	. . . . .	230,000
A23000 Finance . . . . .	. . . . .	. . . . .	23,000	. . . . .	. . . . .	7,367,963	2,000	. . . . .	250,526	7,643,489
A24000 Fire . . . . .	. . . . .	1,231,410	. . . . .	. . . . .	. . . . .	7,135,223	11,700	. . . . .	1,641,217	10,019,550
A25000 Health . . . . .	. . . . .	1,046,364	. . . . .	200,000	57,798,532	12,244,519	. . . . .	620,000	1,035,000	72,944,415
A26000 Historical . . . . .	. . . . .	. . . . .	. . . . .	66,650	. . . . .	482,900	. . . . .	. . . . .	2,250,000	2,799,550
A28000 Human Resources . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	11,795,682	. . . . .	. . . . .	1,000	11,796,682
A29000 Human Rights . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	13,500	. . . . .	. . . . .	. . . . .	13,500
A30000 Human Services . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	66,687,155	3,008,184	. . . . .	75,000	. . . . .	69,770,339
A31000 Information Technology Services . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	3,094,857	. . . . .	. . . . .	. . . . .	3,094,857
A32000 Law . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	3,631,332	. . . . .	. . . . .	180,000	3,811,332
A33000 Mayor's Office . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	487,000	. . . . .	. . . . .	. . . . .	487,000
A36000 Planning and Development	20,000	1,696,460	. . . . .	1,103,924	52,892,373	415,537	12,699,000	2,585,000	5,450,000	76,862,294
A37000 Police	54,600,000	191,180	2,880,000	. . . . .	8,616,738	16,458,983	70,000	2,157,251	3,827,100	88,801,252
A38000 Public Lighting	100,000	3,900	. . . . .	72,000	. . . . .	53,415,800	. . . . .	. . . . .	7,020,000	60,611,700
A39000 Recreation . . . . .	. . . . .	. . . . .	. . . . .	2,865,310	151,200	4,804,368	. . . . .	. . . . .	6,005,500	13,826,378
A40000 Senior Citizens . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	873,185	. . . . .	. . . . .	155,088	. . . . .	1,028,273
A44000 Zoological Institute . . . . .	. . . . .	. . . . .	. . . . .	1,874,000	. . . . .	7,318,327	. . . . .	. . . . .	2,110,000	11,302,327
LEGISLATIVE AGENCIES										
A50000 Auditor General . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	200,000	. . . . .	. . . . .	. . . . .	200,000
A51000 Board of Zoning Appeals . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	120,000	. . . . .	. . . . .	. . . . .	120,000
A52000 City Council . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	812,930	. . . . .	. . . . .	. . . . .	3,850	816,780
A53000 Ombudsperson . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	0
A70000 City Clerk . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	0
A71000 Department of Elections . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	194,838	2,500	. . . . .	. . . . .	. . . . .	197,338
JUDICIAL AGENCY										
A60000 36th District Court . . . . .	. . . . .	. . . . .	9,570,000	. . . . .	711,455	7,522,444	. . . . .	. . . . .	. . . . .	17,803,899
OTHER AGENCIES										
A35000 Non-Departmental	621,886,388	20,000	5,000,000	35,585,000	332,545,000	55,029,928	22,804,504	124,300,992	6,600,000	1,203,771,812
TOTAL GENERAL CITY AGENCIES	\$712,720,298	\$11,130,974	\$17,473,000	\$50,091,733	\$609,644,760	\$224,932,388	\$36,639,468	\$131,343,331	\$38,057,343	\$1,832,033,295
A18000 Debt Service	64,153,487	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	449	. . . . .	64,153,936
ENTERPRISE AGENCIES										
A10000 Airport . . . . .	. . . . .	. . . . .	. . . . .	1,059,732	. . . . .	448,500	. . . . .	2,430,701	145,000	4,083,933
A13000 Buildings and Safety Engineering . . . . .	. . . . .	19,870,000	100,000	. . . . .	13,834,913	1,580,000	. . . . .	3,916,256	. . . . .	39,301,169
A20000 Department of Transportation . . . . .	. . . . .	. . . . .	. . . . .	1,463,000	. . . . .	89,203,004	. . . . .	84,181,067	7,025,000	181,872,071
A34000 Municipal Parking . . . . .	. . . . .	. . . . .	9,700,000	25,357,250	. . . . .	90,000	. . . . .	12,680,893	400,000	48,228,143
A41000 Water . . . . .	. . . . .	. . . . .	. . . . .	6,484,000	. . . . .	261,977,369	. . . . .	. . . . .	367,852,729	636,314,098
A42000 Sewerage . . . . .	. . . . .	. . . . .	. . . . .	21,037,500	. . . . .	317,229,878	. . . . .	. . . . .	540,048,584	878,315,962
A72000 Library	28,217,090	. . . . .	1,630,259	1,540,000	3,276,562	3,067,100	5,000	. . . . .	178,408	37,914,419
TOTAL ENTERPRISE AGENCIES	\$28,217,090	\$19,870,000	\$11,430,259	\$56,941,482	\$17,111,475	\$673,595,851	\$5,000	\$103,208,917	\$915,649,721	\$1,826,029,795
GRAND TOTAL	\$805,090,875	\$31,000,974	\$28,903,259	\$107,033,215	\$626,756,235	\$898,528,239	\$36,644,468	\$234,552,697	\$953,707,064	\$3,722,217,026

**SUMMARY – ALL FUNDS
REVENUES BY MAJOR CLASSIFICATION**

TAXES, ASSESSMENT AND INTEREST

2001-02 Budget	2002-03 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$856,306,874	\$805,090,875	(\$51,215,999)	-5.98%

This classification contains Real and Personal Property Tax, Municipal Income Tax, Utility Users Tax, Special Assessments, Industrial Facilities Tax and other Miscellaneous Taxes.

Municipal Income Tax - The 2002-03 Budgeted projection is \$323.5 million, \$61.3 million decrease from current budget. This recommendation is based on actual collections and growth rates of:

Fiscal Year	Collections (in millions)	% inc/dec
93-94	296.6	
94-95	312.7	5.3%
95-96	335.8	7.4%
96-97	332.9	-0.9%
97-98	361.6	8.6%
98-99	370.4	2.4%
99-00	378.3	2.1%
00-01	341.0	-9.9%
01-02(est)	326.9	-4.1%
02-03 (rec)	323.5	-1.0%

Methods included in analyzing this account included the input of two local economists David Littman (Chief Economist, COMERICA) and David Sowerby (Chief Market Analyst, LOOMIS SAYLES).

P.A. 500 of 1998 will reduce rates in the City of Detroit over a 10 year period (7/1/99-7/1/08) for residents from (3% to 2%) and for

non-residents (from 1.5% to 1%). The income tax rates for residents will be 2.6% (non-residents 1.3%) effective 7/1/02. In addition the City has also proposed a phase out of the corporate income tax over the same time frame. This tax rate is currently at 1.4% and the budget assumes a 1.2% rate effective 1/1/02.

Property Tax - The Recommended current year property tax collections for FY 2002-03 is \$4.8 million lower than the current budget. The following factors have the largest influence on this account:

- Taxable Valuation Estimates for FY 2002-03 have increased by 5.1% on the ad valorem roll and increased by 8.7% when the industrial facilities, commercial facilities and neighborhood enterprise zone tax rolls are included.
- However, the recommended collection factor for FY 2002-03 is 86%, which is a 5.25% decrease over the current budgeted factor of 91.25%. The final FY 2000-01 collection factor was 86.05 %, and the current years (FY 2002-03) factor is projected to be 85.1%. The recommended current year property tax collection rate is impacted by on-going litigation with utility company, concessions and corrections to the property tax roll.

SUMMARY – ALL FUNDS REVENUES BY MAJOR CLASSIFICATION

- The following is a history of general fund property tax collections:

(in millions)

FY	Curr Yr Coll	Delinq Coll	Total Coll	% Inc/ (Dec)
94	123.8	4.9	128.7	
95	119.3	8.6	127.9	(0.6)%
96	121.7	8.6	130.3	1.8%
97	128.2	10.2	138.4	6.2%
98	132.8	11.2	144.0	4.0%
99	135.6	9.8	145.4	0.9%
00	143.7	12.0	155.7	7.0%
01	141.2	11.6	152.8	1.9%
02(e)	150.0	6.7	156.7	2.5%
03(b)	157.5	16.8	174.3	11.2%

Utility Users Tax -The Recommended Budget includes \$54.6 million for Utility User's Tax . The estimate of Utility Users Tax receipts reflect current utility utilization levels and rates. Collection of amounts owed but under dispute have not been included in the budget. The Utility Users Tax Act permits a city with a population over 750,000 to impose a tax on public utility usage at a rate up to 5%

of the usage on a monthly basis. The funds collected are restricted to the exclusive use of the hiring and retaining of police officers.

Wagering Taxes - The Recommended Budget includes \$105 million, an increase of \$9.2 million for a Gaming Excise Tax collected from licensed Casinos. This is based on 9.9 percent of total wagers less winnings paid daily. All three temporary Casinos were open during the current fiscal year.

Gas and Weight Taxes - The Recommended Budget includes \$35 million, an increase of \$6.5 million from current budget. This revenue is from the State for revenue of streets. The increase is due to a higher unallocated portion of these funds.

Sidewalk Construction Assessments - The City is planning a sidewalk assessment program for the 2002-2003 fiscal year. The Recommended Budget includes an \$1 million.

LICENSES, PERMITS AND INSPECTION CHARGES

2001-02 Budget	2002-03 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$31,263,600	\$31,000,974	(\$262,626)	-0.84%

This classification contains various permits and licenses, Safety Inspection Charges and Construction Inspection Charges.

These inspections are performed by Buildings and Safety.

Safety Inspection Charges - The Recommended Budget includes \$9.5 million. This estimate is based on actual collections and an enhanced computerized billing system.

Construction Inspection Charges - The Recommended Budget includes \$6.66 million for construction inspection fees.

SUMMARY – ALL FUNDS REVENUES BY MAJOR CLASSIFICATION

Business Licenses - The Recommendation includes \$1.51 million for Business Licenses and Permits, a decrease of \$305,000 based on actual collections.

Other Licenses and Permits - \$11 million is included in the recommendation. This includes building trade licenses and permits.

FINES, FORFEITS, PENALTIES

2001-02 Budget	2002-03 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$28,507,106	\$28,903,259	\$396,153	1.39%

This classification contains Ordinance, Court and Parking Fines, Property Tax Penalties and various Fines, Forfeits and Penalties.

\$1,211,720 for ordinance fines collected from Traffic Court.

Parking Fines - The Recommended Budget includes \$9.7 million for Parking Violation Fines, an increase of \$200,000 from current budget.

Property Tax Penalty - The Recommended Budget includes \$5.4 million for penalty on delinquent property taxes.

Ordinance Fines - The Recommended Budget includes \$8 million, an increase of

Court Fines – The Recommended Budget includes \$1,270,000 for Court Fines. This is a decrease of \$849,276 from current year.

REVENUE FROM USE OF ASSETS

2001-02 Budget	2002-03 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$127,765,234	\$107,033,215	(\$20,732,019)	-16.23%

This classification contains Earnings on Investments, various Interest Earnings, Building Rentals, Parking Facility Revenue, Marina Rentals, Concessions, Equipment Rentals.

Earnings on Investments - \$39.1 million is included in the Recommended Budget a decrease of \$20.5 million from current Budget.

- General Fund operations - \$4.9 million, a decrease of (\$4.5) million.

- General Public Improvements Fund –the Recommended Budget includes \$1.7 million, a \$6.1 million decrease for Capital Reinvestment funds. These dollars are used for capital improvements.
- Library Fund – The Recommended Budget includes \$300,000, a decrease of \$1.2 million.
- Water and Sewerage Funds – The Recommended Budget includes \$6.4

SUMMARY – ALL FUNDS REVENUES BY MAJOR CLASSIFICATION

million, a decrease of \$7.6 million for Water and \$21 million, an increase of \$2.2 for Sewerage.

Parking Facility Revenue - \$20.3 million is recommended for revenues from parking facilities.

Rental Public Buildings- The Recommended Budget includes \$1.26 million for rental proceeds of various city facilities, a decrease of \$125,986.

GRANTS, SHARED TAXES AND REVENUES

2001-02 Budget	2002-03 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$631,620,304	\$626,756,235	(\$4,864,069)	-0.77%

This classification contains State Shared Taxes, and Miscellaneous Grants.

History of State Revenue Sharing Collections General Fund (in millions)

Fiscal Year	Budget	Collect-ions	% Inc/Dec
88	251.3	247.9	
89	255.1	263.3	6.21%
90	289.2	282.2	7.18%
91	268.6	266.1	-5.71%
92	313.9	279.1	4.89%
93	253.3	256.2	-8.20%
94	281.9	266.4	3.98%
95	280.1	291.2	9.31%
96	303.1	316.1	8.55%
97	332.3	328.5	3.90%
98	333.9	330.1	0.50%
99	335.8	332.0	0.60%
00	332.0	332.7	0.2%
01	332.0	333.3	0.2%
02 (est)	332.0	N/A	0.00%
03 (rec)	332.0	N/A	0.00%

State Revenue Sharing - P.A. 532 of 1998 was passed which will freeze payments to the City of Detroit (cities in the State of Michigan with a population of over 750,000) at \$333.9

million (of which \$1.9 million will go to the Library) for 8 years from FY 1998-99 through FY 2005-06. This act also stipulates that for fiscal years in which State sales tax collections decrease from the previous fiscal year, the City's payments will also decrease in a like amount.

Grants - The Recommended Budget includes a decrease of \$4.9 million for grants.

- **Community Development Block Grant** - The Recommended Budget includes \$52.9 million for CDBG, an increase of \$154,000 from current budget. This program is funded by Federal Government Grants under Title I of the Housing and Community Development Act of 1974.
- **Health Grants** – Included in the recommendation is \$8 million for a variety of health grants.
- **Employment and Training Grants** - The Recommended Budget includes a decrease of \$1 million for a variety of employability skills training grants.
- **Headstart Program** - The Recommended Budget includes an additional \$3.2 million

SUMMARY – ALL FUNDS REVENUES BY MAJOR CLASSIFICATION

for expansion of Head Start related Programs.

- **HOME Program** – The Recommended Budget includes \$18.4 million for this program. The HOME program was created under Title II of the National Affordable Housing Act of 1990 in order to expand the supply

of decent and affordable housing for low and very low income Americans.

- **Police Grants** – The Recommended Budget includes a decrease of \$5.6 million due to reduction of COPS Grant.
- **Airport** – The Recommended Budget includes a \$2.25 million decrease in State and Federal Airport grants.

SALES AND CHARGES FOR SERVICE

2001-02 Budget	2002-03 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$856,071,597	\$898,528,239	\$42,456,642	4.96%

This classification contains Hospitals and Clinics revenue, Maintenance and Construction, Electrical, Steam, Utility Revenue, Transportation, Sale of Miscellaneous Supplies, Library Fees, Sewage Disposal, Admission Fees, Recreation Fees, Golf Course, Administration Fees, other Fees, Cultural Reimbursement and other Reimbursements.

Water Rates - This recommendation includes \$256.9 million for the sale of water, an increase of \$28.6 million from current year. This translates into 13.1 percent (on average) increase for city customers and a 14.9 percent increase for wholesale customers. The methodology used to determine water rates has been consistent for the last seventeen years and consists of the following major steps:

- Determine Revenue Requirements - the amount of money needed to finance the financial plan.

- Project Units of Service. This is a measure of the amount of service provided to each customer or customer class. The units include water volume, water demand during peak periods, distance, elevation ; and number and size of meters.
- Determine Unit Costs - the cost for a single unit of each kind of service provided.
- Distribute Costs to Customers.
- Calculate Rates.

Sewage Rates - This recommendation includes \$310 million for sewage treatment sales. This is a \$40.7 million increase from current year and a 16.4 percent (on average) increase for city customers and 11.7 percent increase for wholesale customers. The methodology used to determine sewage rate for customers has been consistent for the last seventeen years. It was developed in conjunction with several rate settlement agreements and consists of the same five steps as the water rate methodology. However there

SUMMARY – ALL FUNDS REVENUES BY MAJOR CLASSIFICATION

are some differences in the way the steps are

- In developing sewer rates there are not eleven cost categories that are common to all customers as there are in water; there is basically only one factor that influences costs for all customers , and that is contributed wastewater volume.
- The approach in developing sewer rates is to identify costs of unique services or facilities with the benefiting customers, and then to allocate the remaining common costs on the basis of volume.

Cultural Reimbursement - These funds are provided by the State for reimbursement of cultural activities within the city. The current recommendation includes \$4.3 million, a \$3.1 million decrease from current budget.

Transportation Revenue-The Recommended Budget includes \$31.6 million for farebox revenue (\$4.2 million increase) and transportation grants (\$3.9 million decrease). The increased farebox revenue is based on a fare increase of \$0.25 for students and adults. Seniors and disabled still ride free.

Public Lighting - The Recommended Budget includes \$46.46 million for sale of electricity, an increase of \$2 million. This is based on actual collections and a reduction in rate to certain major customers.

accomplished.

Street Fund Reimbursement - The Recommended Budget includes \$35.2 million for Street Fund Programs, a decrease of \$27.1 million. This is funded by Michigan State Gas and Weight Tax Revenues and other related grants used for the construction and maintenance of major and local streets.

Personal Services - This category represents reimbursements from other city agencies for services. The Recommended Budget includes \$ 62.3 million, an increase of \$5.98 million. The increase is due to increased central staff service reimbursements.

Other Reimbursements - The Recommended Budget reflects a \$6.18 million decrease from current budget due to increased Health grants, reimbursements from Water and reduced 36th District Court reimbursements.

Other Fees – The Recommended Budget includes an increase of \$969,000 for Other Fees, which includes \$13 million for Municipal Service Fee. This fee is collected from casino operators for additional costs of the casinos to the city.

SALES OF ASSETS AND COMPENSATION FOR LOSSES

2001-02 Budget	2002-03 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$32,411,300	\$36,644,468	\$4,233,168	13.06%

SUMMARY – ALL FUNDS REVENUES BY MAJOR CLASSIFICATION

This classification contains Insurance, compensation for losses, Recoveries, Sales of City Property and Sale of Equipment.

Sales of City Real Property - The Recommended Budget includes \$12.3 million for surplus property sales, an increase of \$4.8

million from 2001-02 budget. This is based on normal yearly sales by Planning and Development.

Recoveries - The Recommended Budget includes \$22.8 million for recoveries, a decrease of \$448,729.

CONTRIBUTION AND TRANSFERS

2001-02 Budget	2002-03 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$217,116,323	\$234,552,697	\$17,436,374	8.03%

This classification contains Transfers from other Funds, Miscellaneous contributions and Prior Year Surplus.

Prior Year Surplus - The Recommended Budget does not include funding for General Fund Prior Year Surplus. It is estimated that the current budget will be balanced. This is a decrease of \$7.7 million from current year.

General Fund Contributions -

- **DOT Subsidy** - The Recommended Budget includes \$78.4 million, a \$6.4 million decrease from current budget, for the operation of the Transportation System and Downtown People Mover.
- **Airport Subsidy** - The Recommended Budget includes \$2.4 million for operations at City Airport, an increase of \$348,454 from current year.
- **Buildings and Safety Engineering Subsidy** – The Recommended Budget includes \$3.9 million for B&SE operations. In accordance with Michigan Public Act 245 of 1999, B&SE was made an enterprise agency because the use of fees generated under this section can only

be used for: the operation of the enforcing agency, the Construction Board of Appeals or both and shall not be used for any other purpose.

Transfer from Other Funds - \$25.5 million decrease from current budget.

- **Supplemental Fees GDRRA** - The Recommended Budget includes a \$21.5 million decrease from current Budget. The supplemental fees relate to the sales-leaseback transaction involving the sale of the Resource Recovery Facility. The city sold the facility to private investors on October 23,1991. As part of the transaction, the city agreed to pay an outside operator of the facility a supplemental fee equal to the amount of the lease payment the outside operator pays to the private investors. As part of the purchase price, the private investors took on a mortgage. The mortgage payment to the city equals the amount of the lease payment, which equals the supplemental fee.
- **Parking System Operating Advance** – \$12.6 million budgeted in the General

SUMMARY – ALL FUNDS REVENUES BY MAJOR CLASSIFICATION

- Fund. This is a \$246,615 increase from
- Parking operations and maintenance - advance for Auto Parking System, \$12.6 million budgeted in the Parking Fund. This is a \$246,615 increase from current budget.
 - Public Lighting - \$4.2 million decrease due to generation proposal not materialized.

Grant Contributions - Cash - The Recommended Budget includes a decrease of

current budget.

\$4.8 million for cash match requirements in Police, Senior Citizens, Health, Recreation and Cultural Affairs.

Miscellaneous Contribution – The Recommended Budget increased by \$55 million due to a one-time payment from three casinos.

MISCELLANEOUS

2001-02 Budget	2002-03 Mayor's Recommendation	Difference Budget to Recom	Percent Change
\$601,726,295	\$953,707,064	\$351,980,769	58.49%

This classification contains Miscellaneous receipts, Project Borrowings and Interagency Receipts.

Miscellaneous Receipts - The Recommended Budget is a \$95.3 million decrease from current budget.

- **Housing** – The Recommendation no longer includes Housing in the Budget. This represents a \$76.2 million decrease.
- **Water and Sewerage** - The Recommended Budget includes a \$14.87 million decrease for Sewerage and a \$4.59 million decrease for Water.
- **E911 Surcharge** - The Recommended Budget includes \$28 million for a 28 cents per month surcharge to phone bills so the City can continue to improve Police 911 and related communication systems.

Project Borrowings - The Recommended Budget includes \$123.5 million, an increase of \$39.8 million for a low interest loan provided

by the State to cover potential sludge related problems in the Sewage Disposal System.

Sale of Bonds - The Recommended Budget is \$809.9 million, a \$407.1 million increase from the current budget.

- The Recommended Budget includes \$40 million in General Obligation Bond Proceeds. These funds will be used for capital projects in DIA, Fire, Planning and Development, Public Lighting, Recreation, DOT, Police, Airport, Zoo, Civic Center, Health and the Charles H. Wright Museum of African American History.
- The Recommended Budget includes \$410 million for Sewerage Revenue Bond Sale, an increase of \$50 million. These funds will be used for capital improvements for the department.
- The Recommended Budget includes \$360 million for Water Revenue Bond Sale. The Bonds were not included in the current budget.

CITY OF DETROIT
COMPARATIVE BUDGET SUMMARY - INCOME
2001-02 BUDGET to 2002-03 MAYOR'S RECOMMENDATIONS
(in millions of dollars)

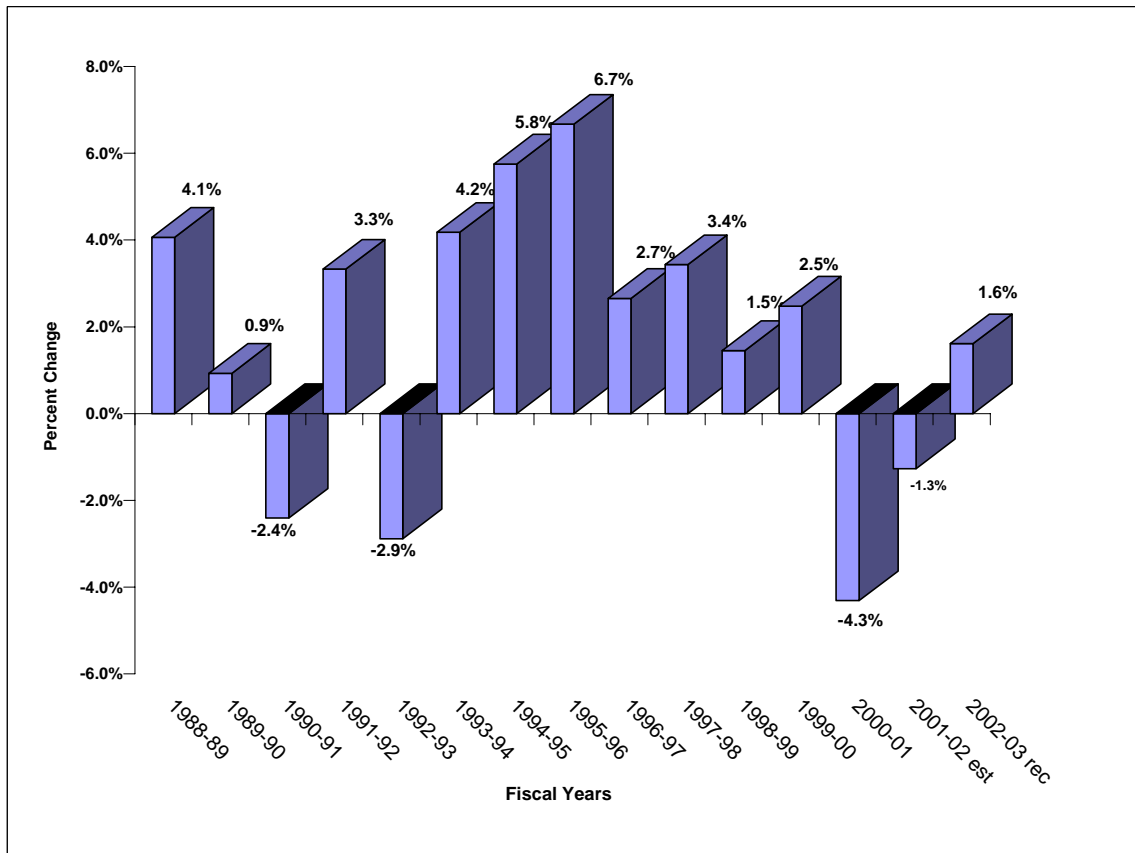
	FY 2001-02 Budget	FY 2002-03 Mayor's Recommendation	Increase (Decrease)
LOCAL SOURCES			
Gross Property Tax (excludes Library).....	\$243.7	\$246.3	\$2.6
Less: Estimated Delinquencies.....	(18.2)	(34.5)	(16.3)
Net Property Tax.....	\$225.5	\$211.8	(\$13.7)
Administrative Fees.....	\$4.9	\$4.6	(\$0.3)
Delinquent Taxes (includes Interest & Penalty).....	24.8	32.4	7.6
Downtown Development Authority.....	1.1	1.4	0.3
Earnings on Investments.....	18.5	6.7	(11.8)
General Obligation Bond Program.....	40.0	40.0	0.0
Internal Reserve Fund (Vehicles).....	29.7	35.6	5.9
Licenses, Permits and Inspection Charges.....	31.3	31.0	(0.3)
Limited/Pledged Debt Expense.....	17.8	13.6	(4.2)
Municipal Income Tax.....	384.8	323.5	(61.3)
Ordinance Fines.....	10.5	11.1	0.6
Parking Fines.....	9.5	9.7	0.2
Risk Management Fund (Workers' Compensation Pass Through).....	20.1	19.9	(0.2)
Sale of Electricity and Steam.....	45.1	47.1	2.0
Sales & Charges for Services.....	119.0	127.6	8.6
Supplemental Fee (GDRRA).....	56.2	34.7	(21.5)
Utility Users' Excise Tax.....	54.6	54.6	0.0
Municipal Service Fee (Casinos).....	13.1	13.0	(0.1)
Casinos Enhancement Revenue.....	-	55.3	55.3
Wagering Tax (Casinos).....	95.8	105.0	9.2
Other Revenues.....	85.2	65.9	(19.3)
Enterprise Agencies			
Library Revenues (excluding Federal & State Sources).....	32.9	30.5	(2.4)
Revenue from Operations.....	721.9	804.0	82.1
Revenue Bonds.....	360.0	770.0	410.0
Subsidy from General Fund.....	88.1	84.7	(3.4)
SUB-TOTAL - MAJOR LOCAL REVENUES.....	\$2,490.4	\$2,933.7	\$443.3

CITY OF DETROIT
COMPARATIVE BUDGET SUMMARY - INCOME
2001-02 BUDGET to 2002-03 MAYOR'S RECOMMENDATIONS
(in millions of dollars)

	FY 2001-02 Budget	FY 2002-03 Mayor's Recommendation	Increase (Decrease)
FEDERAL SOURCES			
Community Development Block Grant.....	\$59.9	\$59.5	(\$0.4)
Community Service Block Grant.....	6.2	6.7	0.5
Crime Bill- Police.....	11.5	5.9	(5.6)
Department of Energy Weatherization Grant.....	2.1	2.8	0.7
Federal Housing Subsidy.....	47.7	-	(47.7)
Head Start Grant.....	45.8	49.0	3.2
Health Grants.....	35.1	35.2	0.1
Home Investment Grant.....	18.5	18.5	0.0
Housing Comprehensive Grant.....	23.0	-	(23.0)
Work Force Investment Act Grant.....	17.4	16.0	(1.4)
Medicare Reimbursement - EMS.....	5.8	5.1	(0.7)
Michigan Occupational Skills Training Grant.....	42.9	41.4	(1.5)
Other Revenues.....	3.0	5.3	2.3
SUB-TOTAL - MAJOR FEDERAL REVENUES.....	\$318.9	\$245.4	(\$73.5)
STATE OF MICHIGAN SOURCES			
Equity Package - Cultural.....	\$7.5	\$4.3	(\$3.2)
Equity Package - Police	1.1	1.1	0.0
Gas and Weight Taxes.....	84.2	57.2	(27.0)
Library Community Programs.....	1.0	0.8	(0.2)
Mass Transportation Funds.....	61.9	57.9	(4.0)
Medicaid Reimbursements.....	3.3	4.4	1.1
Public Health Programs.....	30.6	27.9	(2.7)
State Revenue Sharing- General Fund.....	332.0	332.0	0.0
State Revenue Sharing -Library.....	1.9	1.9	0.0
Other Revenues.....	50.0	55.6	5.6
SUB-TOTAL - MAJOR STATE REVENUES.....	\$573.5	\$543.1	(\$30.4)
TOTAL REVENUES - ALL SOURCES.....	\$3,382.8	\$3,722.2	\$339.4

CITY OF DETROIT- GENERAL FUND

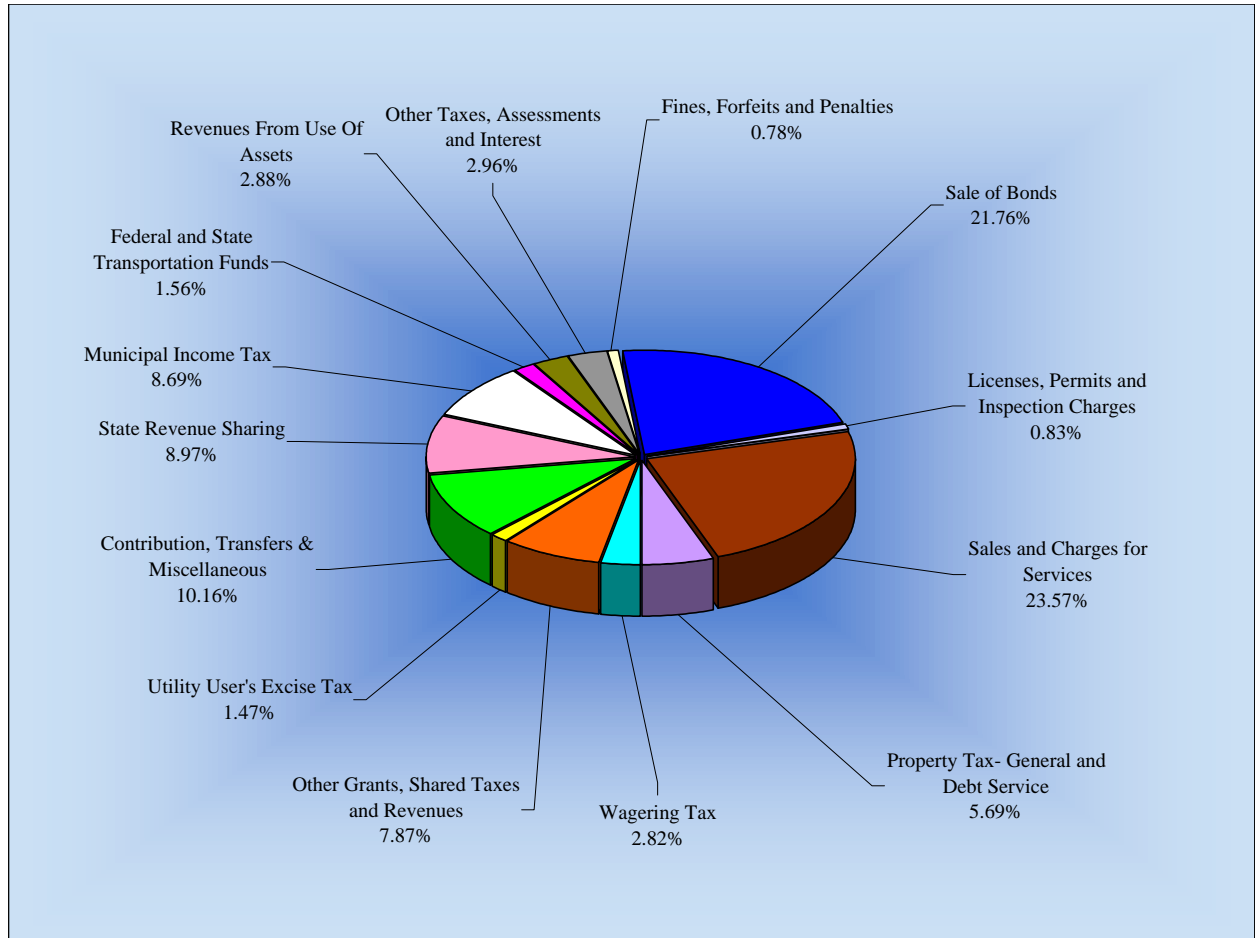
Percent Change in Major Revenue Sources



FISCAL YEAR	PROPERTY TAX	INCOME TAX	UTILITY USERS TAX	STATE REVENUE SHARING	TOTAL	Percent Change	CASINO WAGERING TAX	Percent Change	CASINO Enhancement
1987-88	\$118,200,532	\$273,655,479	\$50,393,292	\$247,890,740	\$690,140,043				
1988-89	119,876,137	283,749,003	51,228,062	263,336,813	718,190,015	4.1%			
1989-90	118,682,602	267,685,618	56,295,133	282,210,803	724,874,156	0.9%			
1990-91	119,879,456	273,173,278	48,271,755	266,091,970	707,416,459	-2.4%			
1991-92	128,796,462	272,445,477	50,583,264	279,145,924	730,971,127	3.3%			
1992-93	125,355,656	279,697,020	48,650,320	256,186,342	709,889,338	-2.9%			
1993-94	122,717,732	296,888,378	53,593,661	266,369,531	739,569,302	4.2%			
1994-95	128,628,234	312,710,316	49,632,997	291,159,098	782,130,645	5.8%			
1995-96	128,617,493	335,755,333	53,906,871	316,055,989	834,335,686	6.7%			
1996-97	140,446,673	332,899,906	54,641,394	328,507,496	856,495,469	2.7%			
1997-98	144,067,977	361,602,189	50,144,609	330,115,576	885,930,351	3.4%			
1998-99	145,459,046	370,417,475	50,924,267	332,003,165	898,803,953	1.5%			
1999-00	155,665,928	378,256,650	54,504,747	332,662,624	921,089,949	2.5%	\$53,429,861		
2000-01	152,810,738	341,003,997	54,270,230	333,318,615	881,403,580	-4.3%	85,793,174	60.6%	
2001-02 est	156,724,830	326,900,000	54,600,000	332,000,000	870,224,830	-1.3%	107,425,000	25.2%	
2002-03 rec	174,143,484	323,500,000	54,600,000	332,000,000	884,243,484	1.6%	105,000,000	-2.3%	\$55,250,000

Note: Data based on actual collections (audited), except where indicated.

**CITY OF DETROIT
SUMMARY OF 2002- 03 MAYOR'S RECOMMENDED BUDGET
REVENUE SOURCES BY TYPE**



REVENUE SOURCE	AMOUNT
Property Tax- General and Debt Service.....	\$211,804,607
Municipal Income Tax.....	323,500,000
Wagering Tax.....	105,000,000
Utility User's Excise Tax.....	54,600,000
Other Taxes, Assessments and Interest.....	110,186,268
State Revenue Sharing.....	333,900,000
Other Grants, Shared Taxes and Revenues.....	292,856,235
Contribution, Transfers and Miscellaneous.....	378,259,761
Fines, Forfeits and Penalties.....	28,903,259
Federal and State Transportation Funds.....	57,953,004
Revenues From Use of Assets.....	107,033,215
Sale of Bonds.....	810,000,000
Licenses, Permits and Inspection Charges.....	31,000,974
Sales and Charges for Services.....	877,219,703
TOTAL	\$3,722,217,026

SUMMARY - ALL FUNDS CAPITAL FINANCING

Summary Debt Policy - The City of Detroit has established the following debt policy guidelines pertaining to the issuance and administration of debt:

- *Policy Goals* - To establish practices which will enable the City to borrow funds to maintain and enhance the City's physical infrastructure, while minimizing the cost to taxpayers.
- *Purpose of Debt* - To issue debt only for capital purposes, and not to finance current operations.
- *Compliance with Laws* - To follow all applicable Charter, State and federal laws and regulations, including those regulations governing the amount and purpose for which debt may be issued and all federal regulations relating to the maintenance of the tax exempt status of bonds.
- *Investor/Rating Agency Relations* - To provide timely, accurate and pertinent information to interested investors and rating agencies. The City will follow the disclosure guidelines approved by the Government Finance Officers Association to the greatest extent possible in disseminating information and will adhere to the City's Continuing Disclosure Undertaking commitments.
- *Security/Repayment Characteristics* - To issue revenue debt which is totally self-supporting to the greatest extent possible. Voter approved, unlimited tax bonds or bonds which are expected to be paid from non-general fund sources are generally the preferred options to finance capital projects which are not or which may not be self-supporting. Limited tax obligations which are payable only from current general fund tax dollars will be considered only if other options are not available.
- *Credit Support* - To obtain external

credit support when it is determined that use of such support produces present value savings; however, the importance of maintaining market access for and name recognition of the underlying credit will be considered in evaluating the benefit of credit support.

- *Repayment Terms* - To repay bonds in a period not exceeding the life of the project, generally not exceeding 25 years for general obligation bonds and 30 years for revenue bonds. The City will avoid issuing debt which provides for balloon principal payments in the final year(s) of maturity. The City will use level or declining total debt service structures (which may take into account previously issued debt), except when an increasing debt payment structure fits an overall strategy of a project. In addition, during the period of construction, the City may choose to pay interest only or may capitalize interest, if appropriate.
- *Debt Levels* - To reduce general debt ratios to levels consistent with the average of cities of similar size and responsibilities. The goal of issuing debt without increasing the property tax burden will be factored into planning the sizing and scheduling of general obligation, unlimited tax bond issues.
- *Debt Instruments* - To issue debt with fixed rates and terms, except that variable rate debt may be issued if the total amount of true variable rate debt does not exceed 20% of the aggregate amount of debt payable from a particular source. Variable rate debt will be counted as fixed rate debt if it is synthetically converted to a fixed rate obligation through the use of an interest rate exchange or similar agreement, or if the period of interest rate exposure does not exceed 2 years. Debt instruments utilizing imbedded swaps or having

SUMMARY - ALL FUNDS CAPITAL FINANCING

other less traditional characteristics may be issued, provided the City is not unduly exposed to third party risk and that utilization of such an instrument does not precipitate an adverse rating agency reaction.

- *Short Term Debt/Leasing* - To minimize the need for short term debt by incorporating a goal of avoiding such debt in financial and cash flow planning. Leasing or lease purchase financing may be considered on a case-by-case basis for equipment and special projects, taking into account the expected life of the equipment and/or the nature of the project.
- *Investment of Bond Proceeds and Debt Service Funds*- To invest funds in accordance with State law, bond indenture provisions and the City's written investment policy. All funds are invested with risk avoidance being of the highest priority, but taking into account cash needs and the potential for maximizing yields. Generally, the City's investment policy restricts the maximum term of investments in bond proceeds accounts to 3 years, in debt service accounts to the date such funds are

required and in debt reserve accounts to 5 years.

- *Review of Policy* - To review the debt policy at least once every 2 years, and to include the formal debt policy as a part of or an annex to the City's Five -year Capital Agenda.

General Obligation Bonds (Unlimited Tax Bonds) -In accordance with the State Constitution, unlimited tax general obligation bonds, if issued after December 22, 1978, must be voter approved before issuance. The authority to issue bonds approved by the electors continues until revoked by the electors. General fund departments and certain enterprise funds have traditionally relied on unlimited tax general obligation bonds of the City for capital programs. In accordance with State law, the City is obligated to levy and collect taxes without regard to any constitutional, statutory or Charter tax rate limitations for payment of such obligations. As such, city operations are not affected by the payment of these obligations. The City has followed a policy of scheduling bond referenda to coincide with regularly scheduled elections.

SUMMARY - ALL FUNDS CAPITAL FINANCING

Bonds Authorized - Unissued

(in millions)
As of April 1, 2002

General Obligation Bonds (Tax Supported):

	Authority	Date	Authorized Amount	Issued	Remaining Authorization
Sewer Construction*	Electorate	8/2/60	\$50.000	\$26.000	\$24.000
Institute of Arts	Electorate	11/7/00	25.000	5.000	20.000
Public Lighting – System	Electorate	11/4/97	40.000	30.955	9.045
Betterments, Improvements and Extensions	Electorate	11/7/00	30.000	6.3000	23.700
Planning and Development (includes Airport)	Electorate	11/7/00	30.000	2.005	27.995
Cultural Facilities (Recreation, Zoo, Historical and C. Wright MAAH)	Electorate	11/7/00	56.000	3.250	52.750
Historical Museum	Electorate	11/6/01	20.000	0.000	20.000
Municipal Facilities	Electorate	11/4/97	7.5000	5.500	2.000
(Public Works, Health, Transportation and Civic Center)	Electorate	11/7/00	18.000	3.200	14.800
Public Safety	Electorate	11/4/97	15.000	7.750	7.250
(Police and Fire Facilities)	Electorate	11/7/00	12.000	6.900	5.100
Library Facilities	Electorate	11/4/97	7.5000	7.500	0.000
Bonds Approved/Unissued **			26.770	20.000	6.770
TOTALS			\$337.770	\$124.360	\$213.410

* Not expected to be issued

** Of the \$119.985M authorized to be issued by City Council, \$113.215M has been sold leaving an unsold balance of \$6.770M. These bonds will be sold in the future to meet cash funding requirements of authorized projects.

Limited Tax Bonds - The City may issue limited tax general obligation bonds or other obligations without the vote of the electors.

However, taxes may not be levied in excess of constitutional, statutory or Charter limitations for the payment thereof. Such bonds are payable from general non-restricted moneys of the City. Certain of such limited tax obligations are secured with a first lien on specific revenues such as Distributable Aid or tax increment funds. The City has utilized limited tax obligations to finance such projects as the Central

Industrial Park Project (General Motors

Plant Project), the Jefferson/Conner Redevelopment Project (Chrysler Jefferson North Assembly Plant Project), the outstanding debt relating to the Resource Recovery Facility and the Madison Center Courthouse Project. To the extent debt service on this category of obligations is not provided from a special revenue source, the payment is provided from City's General Fund, which reduces the amounts that otherwise would be available to support operations.

Revenue Bonds - There are generally no voter approval requirements for the issuance of revenue bonds. The City issues revenue bonds to finance various capital projects for

SUMMARY - ALL FUNDS CAPITAL FINANCING

water, sewage, convention facility and parking and to refund such bonds. Generally, additional revenue bonds may be issued for these systems provided certain specific coverage ratios of net revenues to maximum annual debt service are met. Payment of debt service on revenue bonds does not impact general City operations.

Legal Debt Margin - The maximum amount of general obligation debt (both unlimited tax and limited tax) the City may have outstanding at any time is limited by

State law. The limit is set at 10% of the City's State Equalized Valuation (adjusted for certain assessed value equivalents) or 15% if that portion which exceeds 10% is used solely for construction or renovations of hospital facilities. However, certain general obligation debt (such as the Greater Resource Recovery Authority debt) is excluded from the limit. The limit and the outstanding general obligation debt subject to it are shown in the following table:

LEGAL DEBT MARGIN SUBJECT TO STATE LIMITATION

April 1, 2002

Assessed Value Fiscal Year 2001-02 (State equalized):	\$12,048,327,410	
Add: Allowance under Act 198, Mich. 1974.	452,342,278	
Allowance under Act 228, Mich. 1975	718,498,590	
Allowance under Act 147, Mich. 1992	19,357,025	
General Purpose Limit	<u>\$13,238,525,303</u>	
(10% x \$13,238,525,303)		\$1,323,852,530
Less Outstanding Debt:		
General Obligation Bonds	\$486,195,000	
Distributable State Aid Bonds	86,875,000	
Limited Tax Bonds	16,480,000	
Detroit Building Authority (District Court Madison Ctr. Bonds)	<u>14,072,024</u>	
General Debt Margin		<u>\$ 603,622,024</u>
Additional Hospital Limit		\$ 720,230,506
(5% x \$13,238,525,303)		<u>661,926,265</u>
Total Legal Debt Margin (General and Hospital)		<u>\$1,382,156,771</u>
SOURCE: Finance Department		

SUMMARY - ALL FUNDS CAPITAL FINANCING

Current bond ratings as of April 1, 2002 on various bonds issued by the City and its related authorities are as follows:

	Moody's Investor Service	Standard & Poors	Fitch Investors Service
General Obligation Bonds (Unlimited Tax)	Baa1	A-	A
* General Obligation Bonds (Unlimited Tax)	Aaa	AAA	AAA
General Obligation Bonds (Limited Tax**):			
Self Insurance Bonds	Baa2	BBB+	A
General Obligation Distributable State Aid Bonds	Aaa	AAA	Not Rated
Greater Detroit Resource Recovery Authority:			
Revenue Bonds	Baa1	A	A+
<u>Economic Development Corporation:</u>			
Resource Recovery Revenue Bonds	Aa3	A+	A+
* Resource Recovery Revenue Bonds	Aaa	AAA	AAA
Water System Revenue Bonds	A1	A	A+
* Water System Revenue Bonds	Aaa	AAA	AAA
Sewage Disposal System Revenue Bonds	A1	A	A+
* Sewage Disposal System Revenue Bonds	Aaa	AAA	AAA
* Detroit Building Authority Parking and Arena System Revenue Bonds	Aaa	AAA	AAA
* Detroit Building Authority (District Court Madison Center)	Not Rated	A	Not Rated
Convention Facility Limited Tax Revenue Bonds - Cobo Center	Not Rated	A	Not Rated
Local Development Finance Authority Tax Increment Bonds (Jefferson/ Conner Project)	A1	Ba1	Not Rated
Downtown Development Authority Tax Increment Bonds	Aaa	A-	A-

Note: * Payment guaranteed by municipal bond insurance policy or letter of credit.

 ** General Obligations Limited Tax bonds include Stadia and Self-insurance bonds

Source: Finance Department

**TOTAL OUTSTANDING DEBT SERVICE REQUIREMENT SCHEDULE
AS OF APRIL 1, 2002**

	General Obligations						Revenue and Other (1)			Requirements
Fiscal Year	Unlimited Tax			Limited Tax						G.O. (Unlimited), G.O. (Limited), Revenue and Other
Ending	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2002	8,970,000	7,918,027	16,888,027	24,708,190	14,533,583	39,241,772	3,035,000	1,445,153	4,480,153	60,609,952
2003	28,405,000	30,084,144	58,489,144	56,383,530	24,525,234	80,908,764	86,980,000	151,802,648	238,782,648	378,180,556
2004	29,725,000	28,316,613	58,041,613	60,851,478	21,543,169	82,394,647	79,309,630	161,443,981	240,753,611	381,189,871
2005	31,530,000	26,522,179	58,052,179	66,061,872	18,162,726	84,224,598	84,238,000	159,868,259	244,106,259	386,383,036
2006	38,705,000	24,738,724	63,443,724	53,879,790	14,350,953	68,230,743	90,375,000	160,957,640	251,332,640	383,007,107
2007	40,790,000	22,555,623	63,345,623	60,192,163	11,145,568	71,337,731	94,450,000	161,580,588	256,030,588	390,713,942
2008	44,780,000	20,213,564	64,993,564	65,685,000	7,583,393	73,268,393	90,310,000	159,918,969	250,228,969	388,490,926
2009	47,640,000	17,703,803	65,343,803	75,470,000	3,540,439	79,010,439	94,429,128	166,504,717	260,933,845	405,288,087
2010	35,355,000	15,072,166	50,427,166	2,305,000	885,068	3,190,068	100,750,137	155,615,104	256,365,241	309,982,474
2011	28,730,000	13,100,574	41,830,574	3,430,000	744,276	4,174,276	102,790,000	155,905,675	258,695,675	304,700,526
2012	27,845,000	11,576,873	39,421,873	825,000	592,494	1,417,494	104,843,354	154,723,126	259,566,480	300,405,846
2013	28,815,000	10,085,187	38,900,187	875,000	541,556	1,416,556	91,761,290	137,879,092	229,640,382	269,957,125
2014	24,005,000	8,542,424	32,547,424	925,000	489,806	1,414,806	85,561,529	137,840,859	223,402,387	257,364,618
2015	21,770,000	7,252,781	29,022,781	980,000	435,038	1,415,038	89,357,846	136,568,278	225,926,123	256,363,941
2016	17,990,000	6,071,979	24,061,979	1,040,000	376,963	1,416,963	93,819,065	136,322,755	230,141,820	255,620,761
2017	16,015,000	5,105,581	21,120,581	1,100,000	316,125	1,416,125	97,487,701	135,307,923	232,795,624	255,332,329
2018	23,925,000	4,249,731	28,174,731	1,165,000	252,422	1,417,422	101,667,531	134,894,823	236,562,354	266,154,506
2019	20,865,000	2,984,881	23,849,881	1,230,000	185,063	1,415,063	105,360,911	134,159,895	239,520,806	264,785,749
2020	17,590,000	1,917,017	19,507,017	1,300,000	113,906	1,413,906	108,176,374	133,303,475	241,479,849	262,400,772
2021	14,000,000	1,009,743	15,009,743	1,375,000	38,672	1,413,672	109,364,340	133,222,369	242,586,709	259,010,124
2022	5,000,000	257,978	5,257,978				113,370,127	147,342,340	260,712,467	265,970,445
2023							121,544,137	144,733,599	266,277,736	266,277,736
2024							140,280,495	136,359,223	276,639,718	276,639,718
2025							119,359,111	135,540,639	254,899,749	254,899,749
2026							132,434,770	128,789,907	261,224,676	261,224,676
2027							131,130,000	123,840,478	254,970,478	254,970,478
2028							153,110,000	121,596,493	274,706,493	274,706,493
2029							160,725,000	118,727,134	279,452,134	279,452,134
2030							147,365,000	115,819,728	263,184,728	263,184,728
2031							152,155,000	112,005,965	264,160,965	264,160,965
2032							156,060,000	105,617,000	261,677,000	261,677,000
2033							66,980,000	5,511,919	72,491,919	72,491,919
2034							70,530,000	1,868,669	72,398,669	72,398,669
	\$ 552,450,000	\$ 265,279,590	\$ 817,729,590	\$ 479,782,023	\$ 120,356,451	\$ 600,138,474	\$ 3,479,110,472	\$ 4,207,018,421	\$ 7,686,128,893	\$ 9,103,996,957

Note: Totals may not add due to rounding.

(1) Includes debt service for the Water and Sewerage Systems and for the Detroit Building Authority (Parking System) which is paid from revenues of the individual systems.
Of the total Revenue and Other Debt Service Requirement Water and Sewage accounted for approximately 72%.

Source: Finance Department

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

STATEMENT OF DIRECT TAX SUPPORTED AND REVENUE INDEBTEDNESS

April 1, 2002

Tax Supported Debt:

Unlimited Tax:

General Obligation Bonds (General Purpose)	\$465,575,000	
Distributable State Aid G.O. Bonds	<u>86,875,000</u>	\$552,450,000

Limited Tax:

Self-Insurance Bonds	54,980,000	
G.O. Bonds (Limited Tax) (1)	16,480,000	
Greater Detroit Resource Recovery Authority	280,740,000	
City of Detroit Bldg Authority (Madison Center)	14,072,024	
Economic Development-Resource Recovery Bonds	<u>113,510,000</u>	<u>479,782,024</u>
Total Tax Supported Debt		\$1,032,232,024

Revenue and Other Debt (2):

Water Bonds	1,313,570,000	
Sewage Disposal Bonds	1,647,698,286	
Detroit Building Auth. bonds (Parking & Arena System)	83,730,000	
Federal Section 108 Loans	21,395,000	
Convention Facility Rev. Bonds (Cobo Hall Expansion)	132,290,000	
DDA Tax Increment Bonds	196,061,198	
LDFA Tax Increment (Chrysler Project)	<u>96,520,000</u>	
Total Revenue and Other Projects		<u>3,491,264,484</u>

Gross Direct Debt \$4,523,496,508

Deductions:

Revenue and Other Debt	\$3,491,264,484	
Greater Detroit Resource Recovery Authority Bonds - Reserve Account Balance (February 2002)	<u>36,193,376</u>	
Total Deductions		<u>3,527,457,860</u>

Net Direct Debt \$996,038,648

- (1) Payment is guaranteed by the City, but non-General Fund monies are actually utilized for debt service.
- (2) Excludes \$369,675,000 principal amount of Water Supply System Revenue Bonds and \$456,985,000 principal amount of Sewage Disposal System Revenue Bonds, which were economically defeased.

Source: Finance Department

SUMMARY - ALL FUNDS CAPITAL FINANCING

Capital Agenda - The City Charter requires the Mayor to submit a proposed capital agenda for the next 5 fiscal years to the City Council on or before December 1 each even numbered year. The capital agenda shall state:

- All physical improvements and related studies and surveys, all property of a permanent nature, and all equipment for any improvement when first erected or acquired, to be financed during the next 5 fiscal years in whole or in part from funds subject to control or appropriation by the city, along with information as to the necessity for these facilities;
- Capital expenditures which are planned for each of the next 5 fiscal years;
- The estimated annual cost of operating the facilities to be constructed or acquired; and
- Other information pertinent to the evaluation of the capital agenda.

For each separate purpose, project, facility, or other property there shall be shown the amount and the source of any money that has been spent or encumbered, or is intended to be spent or encumbered before the beginning of the next fiscal year and also

the amount and the source of any money that is intended to be spent during each of the next five years. This information may be revised and extended each year for capital improvements still pending or in process of construction or acquisition.

The City Council may delete projects from the capital agenda as submitted to it, but it may not otherwise amend the capital agenda until it has requested the recommendations of the Planning Director. The City Council is not bound by those recommendations and may act without them if they are not received within 30 days from the date requested.

The City Council shall publish in 1 or more daily newspapers of general circulation in the city a general summary of the capital agenda and a notice stating the times and places where copies of the proposed capital agenda are available for public inspection and the time and place, not less than 2 weeks after the publication, for a public hearing on the proposed capital agenda.

At the conclusion of its deliberation, but not later than March 1 of the following year, the City Council is required to approve a 5-year capital agenda for the city. If the City Council fails to take action by March 1, the proposed capital agenda is deemed approved.

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

**CITY OF DETROIT
SUMMARY OF CAPITAL IMPROVEMENTS- GENERAL CITY AGENCIES
2002- 2003 MAYOR'S RECOMMENDATIONS**

	BOND SALE	CAPITAL REINVESTMENT	STREET FUND	TOTAL
APPROPRIATIONS:				
ARTS				
D.I.A. Improvements	\$ 5,000,000			\$ 5,000,000
C.H. Wright MAAH				
Core Exhibit	\$ 1,500,000			\$ 1,500,000
CIVIC CENTER				
Riverside Wall, Roof and Parapet Remediation	\$ 1,000,000			\$ 1,000,000
Electrical Transformer Replacement	400,000			400,000
Department Sub-total	\$ 1,400,000			\$ 1,400,000
DEPARTMENT OF PUBIC WORKS				
Equipment			\$ 1,148,782	\$ 1,148,782
Pavement Management System			350,000	350,000
Pedestrian Bridges			525,000	525,000
Salt Dome Replacement			705,000	705,000
Street Resurfacing			4,775,848	4,775,848
Street Resurfacing			17,945,654	17,945,654
Traffic Control Improvements			990,000	990,000
Traffic Control Improvements- State			6,700,000	6,700,000
Traffic Control Roadways-Federal Aid			520,000	520,000
Department Sub-total			\$ 33,660,284	\$ 33,660,284
DETROIT TRANSPORTATION CORP				
People Mover Improvements	\$ 7,000,000			\$ 7,000,000
FIRE				
Fire Station Renovation- Phase V	\$ 1,500,000			\$ 1,500,000
HEALTH				
Buildings & Sites (Animal Control Bldg)	\$ 1,000,000			\$ 1,000,000
HISTORICAL				
Building & Exhibits Expansion	\$ 1,265,000			\$ 1,265,000
Historic Fort Wayne -Renovation	1,000,000			1,000,000
Department Sub-total	\$ 2,265,000			\$ 2,265,000
LIBRARY				
Roof Repair and Replacement		\$ 1,025,000		\$ 1,025,000
Miscellaneous Facility Improvements		201,000		201,000
Department Sub-total		\$ 1,226,000		\$ 1,226,000
PLANNING AND DEVELOPMENT				
Eastside Floodplain	\$ 2,000,000			\$ 2,000,000
Major Building Demolition	2,000,000			2,000,000
Residential Sites	1,000,000			1,000,000
Department Sub-total	\$ 5,000,000			\$ 5,000,000

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

	BOND SALE	CAPITAL REINVESTMENT	STREET FUND	TOTAL
APPROPRIATIONS:				
Airport Various Projects (Standby Generator, Apron Lighting, Crack Sealing, Painting, Access Improvements)	\$ 115,000		\$ 115,000	
Airport Local Match	20,000		20,000	
Department Sub-total	\$ 135,000		\$ 135,000	
POLICE				
Precinct Renovations	\$ 1,000,000		\$ 1,000,000	
PUBLIC LIGHTING				
Capital Abatement	\$ 1,800,000		\$ 1,800,000	
Main Street Lighting	1,000,000		1,000,000	
Rusted Metal & Wooden Pole Replacement	1,000,000		1,000,000	
Residential Street Lighting	2,000,000		2,000,000	
Substation Improvements	1,000,000		1,000,000	
Department Sub-total	\$ 6,800,000		\$ 6,800,000	
RECREATION				
Park Development- Workforce	\$ 1,500,000		\$ 1,500,000	
<u>Belle Isle Park Improvements</u>				
Shoreline Stabilization- USACE Grant Match	700,000		700,000	
Belle Isle Masterplan & Grant Assistance	50,000		50,000	
Playscape with Safety Surfacing- Phase II	445,000		445,000	
Belle Isle Grant Match	250,000		250,000	
<u>Parks & Landscape</u>				
Coleman Young Rec Center Parking Lot		\$ 500,000	\$ 500,000	
Historic Statue Conservation- Venus	35,000		35,000	
MDNR Grant Match	250,000		250,000	
<u>Recreation Facility Improvements</u>				
Kronk Renovations- Phase I	500,000		500,000	
Facilities Surveys & Renovation Planning	200,000		200,000	
Misc Recreation Center Improvements	500,000		500,000	
Johnson -HVAC & Pool Area	220,000		220,000	
Adams Butzel -Gym & Weight Room	250,000		250,000	
<u>Eastern Market</u>	400,000		400,000	
Department Sub-total	\$ 5,300,000	\$ 500,000	\$ 5,800,000	
ZOO				
Restroom Upgrades	\$ 600,000		\$ 600,000	
Technology Infrastructure	250,000		250,000	
Paving/Roads/Utilities	750,000		750,000	
Gunite Repairs	500,000		500,000	
Department Sub-total	\$ 2,100,000		\$ 2,100,000	
APPROPRIATED/UNSOLD PROJECTS	\$ 5,000,000		\$ 5,000,000	
APPROPRIATION TOTALS	\$ 45,000,000	\$ 1,726,000	\$ 33,660,284	\$ 80,386,284
REVENUES:				
Sale of General Obligation Bonds	\$ 45,000,000		\$ 45,000,000	
Street Fund Reimbursement- Gas & Weight			\$ 33,660,284	\$ 33,660,284
Capital Reinvestment		\$ 1,726,000	\$ 1,726,000	
REVENUES TOTAL	\$ 45,000,000	\$ 1,726,000	\$ 33,660,284	\$ 80,386,284

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

**2002-03 CAPITAL PROJECT INFORMATION AND EFFECT ON OPERATING
BUDGET**

The following is a description by department of the capital projects included in the 2002-03 Recommended Capital Program. The impact on the budget is denoted by a code as follows:

Impact on Operating Budget:

AF=additional funding required

RF=results in reduction of funding

NOI=no operating impact

Impact on Staff in the Operating Budget:

AS=additional staffing required

RS=results in reduction of staffing

NSI=no staffing impact

ARTS

D.I.A. Improvements - These funds will be used to implement projects as outlined in the agency's Master Plan. For FY 2002-03 the agency will continue with the remediation of the Cret Building (north and south side), remediate the south wing- which includes stabilizing the south wing wall structure and revising elevators; and create a new south circulation spine and revise entrances and exits in Prentis Court IMPACT ON BUDGET: AF/NSI

CHARLES H. WRIGHT MUSEUM OF AFRICAN AMERICAN HISTORY

Core Exhibit - The museum has begun plans for a major renovation of its core exhibit (estimated project cost - \$12 million). Plans for FY 2002-03 call for the demolition of the existing exhibit, and for structural and engineering changes necessary to support the new core exhibit. IMPACT ON BUDGET: AF/AS

CIVIC CENTER

Riverside Walls, Roof and Parapet Remediation - Phase I of this project involves the stabilization of the existing south elevation and west masonry walls, replace and overlaid (with metal panels) the existing south elevation and masonry wall and stabilize, replace and re-clad walls on the Cobo Center roof deck and in the Wayne Hall lot. IMPACT ON BUDGET: NOI/NSI

Electrical Transformer Replacement - This project will replace (3) main (7500 kva) transformers which provides power to Cobo Hall, Joe Louis Arena, Joe Louis Parking Garage, Ford Auditorium, Wayne County Community College and MDOT Lodge Freeway Steam Pumps and Lighting. IMPACT ON BUDGET: NOI/NSI

DEPARTMENT OF PUBLIC WORKS

Street Resurfacing, Street Resurfacing-Contractual, and Equipment - This continuing program allocates funds for resurfacing streets and repairing curbs. IMPACT ON BUDGET: RF/NSI

Traffic Control Improvements, Traffic Control Improvements-State, and Traffic Control Roadways-Federal - This continuing program allocates funds for traffic control repair, maintenance and upgrades. IMPACT ON BUDGET: RF/NSI

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

Pavement Management System, Pedestrian Bridges and Salt Dome Replacement – Projects included in the State’s Transportation Improvement Plan for FY2002-03. IMPACT ON BUDGET:RF/NSI

FIRE

Fire Station Renovation- Phase V – This is the last phase of a five-year program that began in FY1998-99 to renovate existing stations throughout the City. The project consists of improvements to living conditions for assigned personnel (kitchen and restroom upgrades); renovations to conform to Michigan Occupational Safety and Health Act (MIOSHA) standards; upgrade to electrical/mechanical systems, and roofing repairs/replacements. IMPACT ON BUDGET:RF/NSI

HEALTH

Building & Sites Improvements – An on-going program that continues improvements to the physical plant. FY 2002-03 facility improvements involve the renovation of the Animal Control Building. IMPACT ON BUDGET: RF/NSI

HISTORICAL

Building & Exhibits Expansion - Continuation of the planning and design phase for a major building and exhibition expansion that will add 124,169 square feet of exhibit and facility space and will include the renovation of 40,434 square feet of existing museum and office space. Also included in this project is a 143,578 square foot parking deck. This is a multi-year project to run from FY2002 through FY2006. This project will require significant public and private sector support. IMPACT ON BUDGET: AF/AS

Historic Fort Wayne Renovation - This project continues the redevelopment of Historic Fort Wayne to provide for leaseable building space and revenue generating recreational and educational facilities. This includes the re-opening of the Fort Wayne Museum (Start Fort), developing a new “Arsenal of Democracy Museum” and the conversion of post residential structures to commercial office space. IMPACT ON BUDGET: AF/AS

LIBRARY

Roof Repair and Replacement – Continuation of a plan to repair or replace roofing systems at the main library and its branches. The Library is currently working on a plan to replace/repair roofing systems at the Main Library, 801 West Baltimore facility and four branches. IMPACT ON BUDGET: RF/NSI

Miscellaneous Facility Improvements – This project will address current capital improvement needs with the goal of stabilizing Library facilities. Of immediate concern is the replacement of mechanical, heating and cooling systems that are outdated and non-serviceable. Other facility needs are masonry repairs, lighting renovation, paving/walks/curbs, windows/doors/floor repairs, ADA improvements and emergency code compliance, painting, security systems, electrical and plumbing repairs and asbestos abatement. IMPACT ON BUDGET: RF/NSI

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

PLANNING AND DEVELOPMENT

Eastside Floodplain – To provide funds for the installation of necessary infrastructure to remove east side properties from the new 100-year Floodplain level being mandated by FEMA. Funds for FY2002-03 will pay for engineering studies to identify the appropriate infrastructure improvements required to remove these properties from the proposed floodplain. IMPACT ON BUDGET: RF/NSI

Major Building Demolition – To provide funds for citywide demolition in designated development project areas. IMPACT ON BUDGET: NOI/NSI

Residential Sites – To provide funds for site consolidation, limited acquisition and relocation, site improvements and public infrastructure construction and/or reconstruction that facilitate residential development Citywide. IMPACT ON BUDGET: NOI/NSI

AIRPORT

Various Projects - To provide funding for on-going projects that maintain the infrastructure of the Airport: crack sealing and painting- will extend the life of airport runways, taxiways, aprons and parking lots. Also, includes funding for a standby engine/generator for the terminal building. IMPACT ON BUDGET: NOI/NSI

Local Match - To provide match funds for Federal and State grants. IMPACT ON BUDGET: NOI/NSI

POLICE

Precinct Renovations – Funding is requested for on-going renovation projects at various precincts. Projects include heating/ventilation and air conditioning, plumbing and electrical system upgrades, as well as, other projects to comply with State of Michigan Occupational Safety and Health Act (MIOSHA) and State of Michigan Corrections Department regulations. IMPACT ON BUDGET: RF/NSI

PUBLIC LIGHTING

Capital Abatements – PLD workforce performs capital work daily such as new street lighting, condemned pole replacement and service extensions. IMPACT ON BUDGET: NOI/NSI

Main Street Lighting – A continuing program to upgrade main street lighting. IMPACT ON BUDGET: NOI/NSI

Rusted Metal and Condemned Wood Pole Replacement – A continuous citywide program to replace poles that have been inspected and found to be structurally unsound. IMPACT ON BUDGET: NOI/NSI

Main Street Lighting – An on-going program to modernize street lighting in residential neighborhoods. IMPACT ON BUDGET: NOI/NSI

Substation Improvements– An on-going program to maintain system integrity and load capacity. The project involves the upgrading of circuit breakers in the substations to make them safer and faster. IMPACT ON BUDGET: NOI/NSI

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

RECREATION

Park Development-Force Work - Continued funding for construction and rehabilitation of neighborhood parks, playfields, tot-lots and playgrounds by City workforces. IMPACT ON BUDGET: AF/AS

Belle Isle Park Improvement – On-going development and improvement of Belle Isle as a total regional recreational park. This includes utility infrastructure improvements, overall island landscaping, comfort station replacement, canal restoration, parking and road resurfacing, playground equipment installation and other recreational improvements. For FY 2002-03, funding is included for the following projects: Shore stabilization, United States Army Corps of Engineers (USACE) grant match, masterplan and grant assistance, playscape with safety surfacing- Phase II, and for Belle Isle Park grant matches. IMPACT ON BUDGET: AF/AS

Parks and Landscape - Funding is requested for the construction and rehabilitation of neighborhood parks, playfields, tot-lots and play lots and playgrounds; visual enhancements including tree planting on parks and boulevards; rehabilitating hard surface areas, walkways and parking areas; sports lighting improvements and response to citizen requests for specific site improvements. Funding is included in FY2002-03 for the following projects: Parking lot improvements- Coleman A. Young Recreation Center, Historic Statue Conservation- Venus, and MDNR match grants. IMPACT ON BUDGET: RF/AS

Recreation Facility Improvements - Renovations and alterations of existing buildings and landscaping for buildings are primary considerations. Building improvements include roofing, heating/ventilation and air conditioning and electrical system upgrades, security, pool renovations and other on-going renovation projects. FY2002-03 funds are included for Kronk Recreation Center renovations- Phase I, Johnson Recreation Center HVAC and pool area renovations, Adams Butzel Recreation Center Gym and Weight room renovations, facilities surveys and renovation planning, and other miscellaneous recreation center improvements. IMPACT ON BUDGET: RF/AS

Eastern Market – Renovations to office buildings and sheds, parking lot improvements, and landscaping. IMPACT ON BUDGET: NOI/NSI

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

ZOO

Restroom Upgrades - Remodeling and renovation is needed to meet Americans with Disabilities Act requirements and general upgrades. Upgrades of the restroom facilities include the Picnic Grove, Pavilion and Africa, main, log cabin and west underpass locations. IMPACT ON BUDGET: NOI/NSI

Technology Infrastructure— Funding is requested to update, improve and create a park-wide telecommunications, multimedia and data network. The network will allow for distance learning to schools across the nation, will connect all emergency and security systems and provide for fiber optic cable, wireless lan devices etc. IMPACT ON BUDGET: NOI/NSI

Paving/Roads/Utilities - Funding for infrastructure improvements involving the removal and replacement of deteriorated surfaces of parking lots and walkways IMPACT ON BUDGET: NOI/NSI

Gunite Repairs - An on-going program of repairs to existing rock work throughout the year to provide for animal welfare and United States Department of Agriculture (USDA) requirements. IMPACT ON BUDGET: NOI/NSI

**SUMMARY - ALL FUNDS
CAPITAL FINANCING**

**CITY OF DETROIT
STREET FUND SUMMARY
COMPARISON OF 2001-02 BUDGET WITH 2002-03 MAYOR'S RECOMMENDED BUDGET**

2002-03 <u>Requested</u>	Appropriations: <u>Operation and Maintenance</u>	2001-02 <u>Budget</u>	2002-03 <u>Recommended</u>	Increase (Decrease)
\$78,110	Civic Center/Municipal Parking	\$53,000	\$78,110	\$25,110
77,600	Engineering Division	77,600	77,600	0
3,600,000	Lighting	3,601,800	3,600,000	(1,800)
3,660,000	Recreation	3,660,000	3,660,000	0
3,860,000	Snow & Ice Control-Personnel	3,860,000	3,860,000	0
1,205,000	Snow & Ice Control-Salt	1,140,000	1,205,000	65,000
8,689,000	Street and Alley Maintenance	9,459,300	8,689,000	(770,300)
4,195,752	Street Cleaning	3,636,000	4,195,752	559,752
<u>6,140,754</u>	Transportation/Engineering	<u>6,247,712</u>	<u>6,140,754</u>	<u>(106,958)</u>
\$31,506,216	Sub-Total	\$31,735,412	\$31,506,216	\$(229,196)
	<u>Capital</u>			
\$1,148,782	Equipment	\$1,463,574	\$1,148,782	\$(314,792)
0	New Street Construction	6,320,000	0	(6,320,000)
0	Road and Bridges - City Parks	0	0	0
705,000	Salt Dome Replacement	0	705,000	705,000
525,000	Pedestrian Bridges	0	525,000	525,000
350,000	Pavement Management Systems	0	350,000	350,000
4,775,848	Street Resurfacing	4,032,879	4,775,848	742,969
17,945,654	Street Resurfacing-Contractual	17,945,654	17,945,654	0
990,000	Traffic Control Improvements	4,150,000	990,000	(3,160,000)
6,700,000	Traffic Control Improvements- State	8,600,000	6,700,000	(1,900,000)
<u>520,000</u>	Traffic Control Roadways - Federal Aid	<u>8,345,570</u>	<u>520,000</u>	<u>(7,825,570)</u>
\$33,660,284	Sub-Total	\$50,857,677	\$33,660,284	\$(17,197,393)
	<u>Contributions and Administration</u>			
\$4,018,284	City Contribution In-Kind	\$5,742,858	\$4,018,284	\$(1,724,574)
<u>4,824,000</u>	Administration	<u>5,360,000</u>	<u>4,824,000</u>	<u>(536,000)</u>
\$8,842,284	Sub-Total	\$11,102,858	\$8,842,284	\$(2,260,574)
\$74,008,784	GRAND TOTAL-APPROPRIATIONS	\$93,695,947	\$74,008,784	\$(19,687,163)
	<u>Revenues:</u>			
\$10,000	City and State Salt Reimbursement	\$10,000	\$10,000	\$0
4,018,284	City Contribution	5,742,858	4,018,284	(1,724,574)
1,810,000	Earnings on Investment	3,700,000	1,810,000	(1,890,000)
1,148,782	Equipment Rentals	1,463,574	1,148,782	(314,792)
60,300,000	Gas and Weight Tax	67,000,000	60,300,000	(6,700,000)
6,721,718	Prior Year Reallocation	15,779,515	6,721,718	(9,057,797)
\$74,008,784	GRAND TOTAL-REVENUES	\$93,695,947	\$74,008,784	\$(19,687,163)
\$0	NET TAX COST	\$0	\$0	\$0

**CITY OF DETROIT
2002-03 MAYOR'S RECOMMENDED BUDGET
VALUATIONS, TAX LEVIES AND TAX RATES**

	2001-02 Budget	2002-03 Recommended	Increase (Decrease)
<u>Valuations:</u>			
Real Estate	\$5,983,367,293	\$6,226,065,313	\$242,698,020
Personal Property	1,656,437,990	1,749,983,210	93,545,220
GRAND TOTAL	\$7,639,805,283	\$7,976,048,523	\$336,243,240

<u>Tax Levies:</u>			
General City	\$152,505,793	\$159,217,881	\$6,712,088
Garbage Disposal	22,875,869	23,882,682	1,006,813
Debt Service	68,328,127	63,183,864	(5,144,263)
Library	27,756,177	28,977,782	1,221,605
GRAND TOTAL	\$271,465,966	\$275,262,209	\$3,796,243

<u>Tax Rates:</u>			
General City	\$19.9620	\$19.9620	\$0.0000
Garbage Disposal	2.9943	2.9943	0.0000
Debt Service	8.9437	7.9217	(1.0220)
Library	3.6331	3.6331	0.0000
GRAND TOTAL	\$35.5331	\$34.5111	(\$1.0220)

CITY OF DETROIT
2002-03 MAYOR'S RECOMMENDED BUDGET
Tax Rates Per Thousand
of State Equalized Valuation
City of Detroit Properties

Fiscal Year	General City	Detroit Board of Education (1)	State Education Tax (5)	County	Total
1955-56.....	19.796	13.450		6.811	40.057
1956-57.....	20.068	13.432		6.806	40.306
1957-58.....	21.694	13.450		6.741	41.885
1958-59.....	22.083	13.450		6.408	41.941
1959-60.....	22.395	16.491		6.217	45.103
1960-61.....	21.346	16.608		5.984	43.938
1961-62.....	21.682	16.776		6.235	44.693
1962-63.....	21.335	17.036		6.035	44.406
1963-64.....	20.910	17.102		6.096	44.108
1964-65.....	20.907	17.106		7.310	45.323
1965-66.....	20.291	17.110		7.389	44.790
1966-67.....	20.423	17.402		7.777	45.602
1967-68.....	23.332	22.772		7.130	53.234
1968-69.....	23.431	23.144		7.100	53.675
1969-70.....	23.513	23.500		7.100	54.113
1970-71.....	26.460	23.500		7.100	57.060
1971-72.....	25.947	24.655		7.110	57.712
1972-73.....	26.400	19.250		7.350	53.000
1973-74.....	29.520	28.440		7.410	65.370
1974-75.....	26.928	28.700		8.890	64.518
1975-76.....	27.872	28.440		8.890	65.202
1976-77.....	33.183	29.180		9.470	71.833
1977-78.....	33.173	32.180		9.460	74.813
1978-79.....	32.869	32.280		9.930	75.079
1979-80.....	33.919	32.850		9.970	76.739
1980-81.....	33.781	36.700		9.760	80.241
1981-82.....	33.011	36.000		9.220	78.231
1982-83.....	32.625	36.900		9.270	78.795
1983-84.....	32.623	36.500		9.290	78.413
1984-85.....	32.345 (2)	36.400		9.440	78.185
1985-86.....	32.321	41.400		9.470	83.191
1986-87.....	31.353	40.900		9.370	81.623
1987-88.....	31.328	41.400		9.290	82.018
1988-89.....	31.389	41.400		11.360	84.149
1989-90.....	30.597	47.400		11.230	89.227
1990-91.....	30.908	46.400		10.870	88.178
1991-92.....	33.760 (3)	46.400		10.710	90.870
1992-93.....	32.639	48.400		10.710	91.749
1993-94.....	32.379	46.880		11.270	90.529
1994-95 (Homestead Properties).....	33.467 (4)	4.660	6.000 (5)	11.200	55.327
1994-95 (Non-Homestead Properties).....	33.467 (4)	22.660	6.000 (5)	11.200	73.327
1995-96 (Homestead Properties).....	34.146	7.040	6.000	11.200	58.386
1995-96 (Non-Homestead Properties).....	34.146	25.040	6.000	11.200	76.386
1996-97 (Homestead Properties).....	33.923	7.500	6.000	11.380	58.803
1996-97 (Non-Homestead Properties).....	33.923	25.500	6.000	11.380	76.803
1997-98 (Homestead Properties).....	33.878	7.590	6.000	11.370	58.838
1997-98 (Non-Homestead Properties).....	33.878	25.590	6.000	11.370	76.838
1998-99 (Homestead Properties).....	33.815	6.450	6.000	11.320	57.585
1998-99 (Non-Homestead Properties).....	33.815	24.450	6.000	11.320	75.585
1999-00 (Homestead Properties).....	33.735	5.900	6.000	11.139	56.774
1999-00 (Non-Homestead Properties).....	33.735	23.900	6.000	11.139	74.774
2000-01 (Homestead Properties).....	35.3114 (7,8)	7.0000	6.0000	11.0565	59.3679
2000-01 (Non-Homestead Properties).....	35.3114 (7,8)	25.0000	6.0000	11.0565	77.3679
2001-02 (Homestead Properties).....	35.5331	10.5000	6.0000	12.5395	64.5726
2001-02 (Non-Homestead Properties).....	35.5331	28.5000	6.0000	12.5395	82.5726
2002-03 (Homestead Properties).....	34.5111	(9)	6.0000	(10)	
2002-03 (Non-Homestead Properties).....	34.5111	(9)	6.0000	(10)	

(1) Includes Detroit Public Library at 0.640 mills through 1993-94.

(2) Includes Detroit Public Library at 1.000 mills, commencing on 12-1-84.

(3) Includes Detroit Public Library at 2.000 mills, commencing on 7-1-91.

(4) Includes 0.640 mills for the Detroit Public Library allocated by the Wayne County Tax Allocation Board, commencing on 7-1-94.

(5) Statewide Education Tax commencing on 7-1-94.

(6) P.A. 38 of 1999 requires tax rates to be rounded down to 4 decimal places effective 8/1/99.

(7) Includes Detroit Public Library at 2.9943 mills, commencing on 7-1-00.

(8) Tax Rates (excluding debt service and state education) were rolled back by a factor of 0.9981 (MCL211.23d)

(9) Rate not determined until June 2002.

CITY OF DETROIT
2002-03 MAYOR'S RECOMMENDED BUDGET
State Equalized Valuations
Taxable Valuations (beginning with FY1995-96)

Fiscal Year	Real Property	Personal Property	Leased Real Estate (Act 189)	Total
1967-68	\$3,542,571,970	\$1,262,625,520	\$2,500,240	\$4,807,697,730
1968-69	3,608,473,004	1,314,334,181	2,788,517	4,925,595,702
1969-70	3,767,734,581	1,417,254,745	3,226,634	5,188,215,960
1970-71	3,875,476,834	1,427,562,198	3,245,148	5,306,284,180
1971-72	4,336,162,219	1,369,640,460	13,475,161	5,719,277,840
1972-73	4,418,254,999	1,334,202,710	18,132,431	5,770,590,140
1973-74	4,431,361,952	1,352,176,370	23,144,568	5,806,682,890
1974-75	4,374,726,890	1,370,997,760	16,696,740	5,762,421,390
1975-76	4,276,286,830	1,499,479,950	16,339,520	5,792,106,300
1976-77*	4,171,589,090	861,058,190	13,798,980	5,046,446,260
1977-78*	4,061,293,640	854,716,500	14,156,590	4,930,166,730
1978-79*	3,963,069,730	872,614,490	16,824,550	4,852,508,770
1979-80*	4,109,370,167	917,300,280	25,536,063	5,052,206,510
1980-81*	4,243,561,850	956,231,600	27,653,950	5,227,447,400
1981-82*	4,300,406,440	1,020,683,980	**	5,321,090,420
1982-83*	4,400,575,423	966,178,190	**	5,366,753,613
1983-84*	4,286,957,070	940,538,360	**	5,227,495,430
1984-85*	4,318,560,670	953,156,060	**	5,271,716,730
1985-86*	4,220,267,845	1,010,475,230	**	5,230,743,075
1986-87*	4,166,788,950	1,073,574,560	**	5,240,363,510
1987-88*	4,180,049,175	1,143,890,240	**	5,323,939,415
1988-89*	4,215,160,730	1,165,164,930	**	5,380,325,660
1989-90*	4,223,057,235	1,175,151,350	**	5,398,208,585
1990-91*	4,352,042,900	1,227,761,520	**	5,579,804,420
1991-92*	4,417,351,340	1,237,444,600	**	5,654,795,940
1992-93*	4,422,924,900	1,281,200,980	**	5,704,125,880
1993-94*	4,554,668,625	1,260,742,960	**	5,815,411,585
1994-95*	4,565,439,900	1,330,336,390	**	5,895,776,290
1995-96*	4,631,121,900	1,281,065,150	**	5,912,187,050
1995-96*,(Taxable)***	4,606,258,474	1,281,065,150	**	5,887,323,624
1996-97*	4,943,226,600	1,443,983,280	**	6,387,209,880
1996-97*,(Taxable)***	4,703,634,599	1,443,983,280	**	6,147,617,879
1997-98*	5,351,874,550	1,603,340,500	**	6,955,215,050
1997-98*,(Taxable)***	4,847,235,699	1,603,340,500	**	6,450,576,199
1998-99*	5,940,200,550	1,626,585,350	**	7,566,785,900
1998-99*,(Taxable)***	5,005,030,961	1,626,585,350	**	6,631,616,311
1999-00*	6,990,962,278	1,637,481,660	**	8,628,443,938
1999-00*,(Taxable)***	5,219,200,241	1,637,481,660	**	6,856,681,901
2000-01*	8,106,178,450	1,718,118,920	**	9,824,297,370
2000-01*,(Taxable)***	5,486,262,205	1,718,118,920	**	7,204,381,125
2001-02*	9,319,364,300	1,656,437,990	**	10,975,802,290
2001-02*,(Taxable)***	5,983,367,293	1,656,437,990	**	7,639,805,283
2002-03*	10,298,344,200	1,749,983,210	**	12,048,327,410
2002-03*,(Taxable)***	6,226,065,313	1,749,983,210	**	7,976,048,523

* Excludes inventories valued at \$718,498,590, and exempted by Act No. 234 of 1975.
Reimbursement for this loss is provided to local units of government under Act 228 of 1975.

** Included in Commercial and Industrial Real Estate totals.

*** Beginning with FY1995-96 taxable values cannot exceed the statewide rate of inflation of the prior year (3.2%) on a per parcel basis, except where increases are due to physical changes in the parcel (P.A. 415 of 1994).

CITY OF DETROIT
2002-03 MAYOR'S RECOMMENDED BUDGET
Taxable Valuations - Special Districts
Public Acts 198, 255 and 147

	Rehabilitation or Restoration of Existing Facilities	New or Replacement Facilities	Total
Public Act 198 of 1974 - Industrial Facilities Tax			
1975-76.....	\$14,086,590	\$0	\$14,086,590
1976-77.....	14,497,880	2,048,640	16,546,520
1977-78.....	23,588,210	2,106,600	25,694,810
1978-79.....	57,519,180	8,033,920	65,553,100
1979-80.....	65,330,480	11,142,480	76,472,960
1980-81.....	65,854,126	16,850,820	82,704,946
1981-82.....	57,319,032	17,319,950	74,638,982
1982-83.....	80,422,632	24,127,120	104,549,752
1983-84.....	68,276,032	37,379,560	105,655,592
1984-85.....	66,515,302	69,162,660	135,677,962
1985-86.....	64,359,362	134,115,340	198,474,702
1986-87.....	63,709,552	206,031,060	269,740,612
1987-88.....	42,546,696	225,466,610	268,013,306
1988-89.....	41,536,926	205,444,220	246,981,146
1989-90.....	40,263,096	196,764,000	237,027,096
1990-91.....	32,062,196	185,406,690	217,468,886
1991-92.....	19,052,176	234,121,140	253,173,316
1992-93.....	8,278,806	373,214,290	381,493,096
1993-94.....	6,373,500	357,096,010	363,469,510
1994-95.....	6,217,390	360,350,389	366,567,779
1995-96.....	5,788,640	291,002,750	296,791,390
1996-97.....	5,333,420	182,999,947	188,333,367
1997-98.....	5,316,270	226,429,992	231,746,262
1998-99.....	17,607,540	453,502,146	471,109,686
1999-00.....	17,312,840	654,205,868	671,518,708
2000-01.....	15,973,850	748,602,462	764,576,312
2001-02.....	15,900,470	784,862,307	800,762,777
2002-03.....	16,622,370	871,439,815	888,062,185
Public Act 255 of 1978 - Commercial Facilities Tax			
1980-81.....	\$117,572	\$711,050	\$828,622
1981-82.....	504,722	11,072,100	11,576,822
1982-83.....	948,572	18,802,600	19,751,172
1983-84.....	967,822	23,746,250	24,714,072
1984-85.....	1,969,372	25,963,350	27,932,722
1985-86.....	1,980,522	36,296,750	38,277,272
1986-87.....	2,874,522	45,175,400	48,049,922
1987-88.....	2,750,772	47,683,150	50,433,922
1988-89.....	2,723,822	48,117,570	50,841,392
1989-90.....	2,723,822	45,396,960	48,120,782
1990-91.....	2,474,522	48,223,450	50,697,972
1991-92.....	2,312,072	45,117,450	47,429,522
1992-93.....	2,312,072	45,039,400	47,351,472
1993-94.....	2,129,764	41,434,020	43,563,784
1994-95.....	1,652,832	35,787,049	37,439,881
1995-96.....	1,534,282	8,884,939	10,419,221
1996-97.....	1,515,032	8,588,367	10,103,399
1997-98.....	820,882	9,409,017	10,229,899
1998-99.....	246,532	0	246,532
1999-00.....	88,132	0	88,132
2000-01.....	0	0	0
2001-02.....	0	0	0
2002-03.....	0	0	0
Public Act 147 of 1992 - Neighborhood Enterprise Zone Tax			
1994-95.....	\$0	\$2,291,550	\$2,291,550
1995-96.....	0	2,640,000	2,640,000
1996-97.....	0	3,921,600	3,921,600
1997-98.....	0	9,026,700	9,026,700
1998-99.....	0	14,171,944	14,171,944
1999-00.....	0	33,312,900	33,312,900
2000-01.....	0	25,534,800	25,534,800
2001-02.....	143,600	26,460,400	26,604,000
2002-03.....	82,850	38,548,350	38,631,200